Daily Report

Latin America

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Cuba

Cabrisas Signs Trade Protocol With Vietnam

FL2312204992 Havana Radio Reloj Network in Spanish 1502 GMT 23 Dec 92

[Text] During a ceremony held in Hanoi, Ricardo Cabrisas and Le Van Triet, the foreign trade ministers of Cuba and Vietnam, signed a trade protocol for the exchange of goods in 1993.

The Vietnamese minister stressed the close ties of friendship between the two countries and pointed out the great prospects for economic and trade cooperation opened up by this protocol. Cabrisas said that in addition to the quantitative importance of the bilateral accords, his visit to Vietnam marks a promising point of departure with great qualitative meaning due to the close and undying ties of brotherhood between Cuba and Vietnam.

The Cuban delegation will sign another document today regarding specific branches of trade. The visit to Vietnam will conclude on 25 December.

FAR Vice Minister Tours DAAFAR Units in West

FL2412022592 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 24 Dec 92

[Text] In the last few days, Brigadier General Ruben Martinez Puente, the vice minister of the Revolutionary Armed Forces and chief of the DAAFAR [Antiaircraft Defense and Revolutionary Air Force], has toured several DAAFAR units in the western region. During his visit to the air brigade of Casa de la Guardia, Playa Giron, the DAAFAR chief was able to see how the levels of training and combat readiness of our troops have been maintained even though under special period conditions they use fewer resources.

During his tour, he evaluated the use of the land trainers, in which pilots simulate a number of operations and emergencies when monitoring air targets. Likewise, he was briefed about the different products and repairs that have made it possible to maintain the equipment and raise the standard of living of the personnel in these units.

During these days, he has also witnessed several operations by the combat guard which showed the abilities acquired by the soldiers and officers of a missile unit in the western region. He also met with electronics troops and held a frank and open dialogue with the men who daily ensure the supplies for our combatants. This was an opportune time to converse with those who with great determination have undertaken to preserve our hopes.

Rosales Awards Officers, Soldiers on Military Exercise

FL1912032792 Havana Radio Rebelde Network in Spanish 0000 GMT 19 Dec 92

[Text] With the participation of different units and assets, the maneuver called 34th Anniversary of the Triumph of the Revolution concluded today. During the maneuver, the effectiveness of this year's troop training plans were verified. This process has been marked by intensive training sessions and differentiated training for our soldiers and command officers. During the exercise, the chiefs at the different levels were able to organize coordination with air, artillery, and anti-aircraft artillery units and the other factions that participated. Simultaneity and the proper command of all these units in combat became essential premises for success in the battle against the enemy.

We witnessed at all times the unity and high combative spirit of our officers and soldiers, who were congratulated by Division General Ulises Rosales del Toro, the first vice minister of the Revolutionary Armed Forces [FAR] and chief of the General Staff. In his closing speech, he mentioned the significance of 18 December for all Cubans, saying: Today, we are commemorating 36 years since the historic meeting of Fidel and Raul in Cuatro Palmas.

[Begin Rosales recording] At that historic moment, which was a difficult one for the revolution and the nascent rebel army, our commander in chief exclaimed that the war was won; it was assured. This could be done in those difficult times mainly because of the [word indistinct] of the commander in chief, which is what we [words indistinct] to do now, when we have a people, a commander in chief, and a minister of the FAR with enormous experience, and we have units like yours which show, however many times it is necessary, your ability and combat readiness. In the name of the minister of the FAR, I congratulate you from the bottom of my heart, and I urge you to maintain this ability and combat readiness. Thank you very much. [applause] [end recording]

Afterwards, Div. Gen. Ulises Rosales del Toro gave awards for distinguished service to a group of officers and soldiers for their outstanding performance during the maneuver.

Minfar Begins Inspection of Eastern Army Units

FL2312203392 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 23 Dec 92

[Text] An inspection of a group of Eastern Army units by the Ministry of the Revolutionary Armed Forces [Minfar] began with a military ceremony on 23 December. Brigadier General Manuel Perez Hernandez, the vice chief of the Eastern Army, stressed the soldiers' high level of preparedness for this inspection.

[Begin Perez recording] Within the conditions of the special period, under which all activities are conducted in Cuba, our army has carried out an entire training program congruent with this situation. This program has diverse characteristics and is always aimed at attaining the highest level of troop training. For this reason, we have widely used the various training machinery we have here, as well as different electronic devices which, together with the machinery, are able to increase and perfect our units' training. Secondly, we have used the

terrain unsparingly. We believe that our group is ready for this inspection, ready to fulfill any mission, and that it controls the material factors and combat use all of the weapons of each specialty. [end recording]

Puerto Real Donates 1,000 Tons of Supplies

FL2412022692 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 24 Dec 92

[Text] The mayor's office of Puerto Real, Spain, has donated a shipment worth a total of $4 million to the Cuban Government. For the second time, this city is expressing its solidarity with the Cuban people. On this occasion, the city has contributed a shipment of 1,000 tons, which includes 52 tons of paper, 150 tons of hydraulic fluid, 36 buses in perfect condition, and a load of school supplies, spare parts, and food, among other things.

This shipment is a result of the cooperation of the Puerto Real solidarity department and what has been collected from organizations and residents of that municipality.

[Begin recording of unidentified speaker] What is being given is not a result of a whim on the part of the solidarity movement I head. Rather, it has to do with the needs the people's government has presented to us. [end recording]

It is expected that the ship carrying the donation will arrive in a Cuban port on 26 December. We will report from there.

Inter-Caribbean Affairs

Caricom Chairman on Bureau Costs, Clinton Briefing

FL1912005192 Bridgetown CANA in English 2125 GMT 18 Dec 92

[Text] Georgetown, Guyana, Dec 18, CANA—Chairman of the Caribbean Community (Caricom), Trinidad and Tobago's prime minister, Patrick Manning, says most of its member states have made their payments to fund the operations of the regional secretariat here. Manning, speaking at a press conference shortly before midnight Wednesday [23 December], declined to name the states which had honoured their financial obligations, but said he was confident the remaining states would also comply.

"Subsequent to the last meeting of Heads of Government in Port of Spain, a number of countries have made significant payments. We don't want to identify which countries they are ... But they are still some other monies outstanding," Manning told reporters. "On the basis of commitments given, we are confident that the level of compliance is going to be much better in the future than it has been in the past," he said.

The Trinidad and Tobago prime minister said the proper equipping of the secretariat to effectively discharge its functions would have "legal implications." The secretariat, he said, would have more work to do to streamline proposals for likely affirmation when placed before heads instead of just being examined and rejected.

The news conference, following the conclusion of the inaugural meeting of the newly-established Caricom Bureau of Heads, was delayed for almost five hours because of extended deliberations. The bureau, set up by regional heads at their intersessional meeting in Trinidad and Tobago, comprises prime ministers, incoming chairman Hubert Ingraham of the Bahamas; former chairman, Dr. Kennedy Simmonds of St. Kitts; current chairman Manning; and Caricom secretary general, Edwin Carrington, as its chief executive officer.

It met in Georgetown Tuesday and Wednesday. Its next meeting is set for February 27-28 in the Bahamas, less than a month before Caricom heads convene for an intersessional summit before their annual July conference. The Trinidad and Tobago prime minister said regional heads were aware at their inter-sessional summit in Trinidad and Tobago of "significant financial implications."

"The cost of running Caricom is going to increase. There is just no other way and in effect, what the governments decided was if you wish to have an integration movement and if you wish to bring the Caribbean closer together, there is an inescapable cost that has to be incurred with arrangements designed to achieve that objective," he said. Manning said the bureau would alert regional governments of "significant increases in cost" associated with implementing decisions. He said: "There can't be any progress on regional integration or in any acceleration of progress without incurring any significant cost of increases." The secretariat is now preparing a financial estimate.

The Caricom chairman said the bureau members would be in constant contact using available telecommunications. "We really operate as an executive body and we believe that is the best way to go in accordance with the mandate given to us by the heads of government," he said. The bureau, he told reporters, had an excellent chance of succeeding.

"The assessment of the members of the bureau is that the idea (of the bureau) as of now, seems to have an excellent chance of success. So it appears to us," Manning said. The prime minister continued: "We really got a lot of things behind us in two days. We will continue to monitor the arrangement over time and if, as we go along, we identify any deficiencies in the operation of the bureau, we can bring these to the attention of the heads of government. Our objective is an integrated Caribbean in the shortest possible time," he said. Manning said the bureau thought it should brief U.S. President-elect Bill Clinton on all of the major issues confronting the Caribbean territories in their relations with the United States.

The garment and banana industries will feature in a modified document from the bureau to Clinton's transition team, Manning said. He said he would send a letter voicing the

region's concerns in his capacity as Caricom chairman to outgoing U.S. President, George Bush. A similar copy would be sent to Clinton. The letter aims to "sensitise both administrations to the situation" facing the Caribbean, especially in circumstances where policy changes could be in the offing in the incoming administration.

"We do not wish to be adversely affected by any decisions that are taken in the United States of America. It's all political prudence ... It is the proper thing to do and we have chosen to do just that," he said.

The Bahamas

Economy Declines 20 Percent Between 1987-91

FL2112232492 Bridgetown CANA in English 1840 GMT 21 Dec 92

[Text] Nassau, Bahamas, Dec 21, CANA—The Bahamas economy declined by 20 percent in real terms between 1987 and 1991, according to Senator William Allen, state minister in the Ministry of Finance.

Speaking in the Senate during the ongoing debate on the government's 1993 budget, Allen, a former Central Bank governor, linked the poor performance of the nation's Gross Domestic Product (GDP) to weak policies in respect of tourism, the bread and butter industry here. He also said evidence is emerging that the financial position of many of the public corporations requires a most careful re-assessment in order to prevent the emergence of problems similar to those now being experienced by the cash-strapped national airline Bahamasair.

"In other words, corrective measures may be necessary to prevent some of the public corporations from becoming a burden on the Bahamian taxpayer in the way that Bahamasair has become a burden to them," he said.

Allen said the financial situation prevailing today constrains public action in two dimensions. Firstly, the financial situation as it stands has to be rectified as a matter of utmost urgency or it will intensify existing problems, he said. And secondly, it inhibits the scope of public policy in implementing the vigorous measures which the government believes will be helpful in easing the social anguish. Allen said it is important to understand the situation and not to clothe it in too much political rhetoric so that some will find it easy to ignore.

"The reality is that upon entering office (August 19), some of our worst fears were confirmed. For years both the economy and the public finances were badly managed," he said. "And while there is evidence that in the last year attempts were being made to improve the public finances, the evidence is that these were the efforts of one member, and it confirmed the principle that good government is a collective effort. One man cannot do it alone."

The evidence shows that in the period of the late 1980s the economy was permitted to drift along without adequate regard for clearly emerging needs, Allen said. It was this failure to take timely corrective action as the problems were developing in the 1980s that is at the root cause of the present major economic and budgetary problems with which this country is now confronted, he said.

"Growth in employment and living standards in any economy requires that the economy grow in real terms. In the case of the Bahamas, our labour force during 1980 was growing at a rate of about four percent. This growth rate in the labour force is continuing into the 1990s," he said. "In order to provide employment for that increase in the labour force, while at the same time enabling an increase in the living standard of those already employed, the economy must grow faster than the increase in the labour force. That's a fact."

However, the necessary four percent increase did not happen, Allen said. In the 12 year period from 1980 to 1991, the apparent growth in GDP exceeded four percent in only three years, he said. These were the years 1982, when GDP grew by 6.3 percent, the year 1983 when GDP grew by 6.9 percent, and 1986 when GDP grew by 4.1 percent. The exceptional growth in 1982 followed a Decline of 2.9 percent in 1981. Adjusting for the negative growth of 2.9 percent in 1981, the true growth of 1982 was only 3.2 percent, he said.

"Therefore, in only two years, 1983 and 1986, were both fully above the minimum needed to absorb the growing labour force." In two other years, 1980 and 1987, the increase in GDP was between 3.5 and 3.8 percent, which is "certainly reasonably" close to the necessary minimum of four percent, he said.

In August 19 general elections, Allen's Free National Movement government replaced the Progressive Liberal Party (PLP) which held power for 25 years. During the 12 year period 1980 to 1991, in only four years was GDP growth above or near the minimum increase necessary to result in absorbing into employment additions to the labour force, said Allen. On the other hand, in two years, 1981 and 1991, there was negative growth, meaning there was an absolute fall in employment, he said. For the remaining six years, the growth in GDP was around two to three percent, which means that the economy was growing too slowly to absorb the increase into the labour force, said Allen.

"As a result, long term unemployment began to emerge as a serious problem in this country," he said. Allen noted that the most important single sector of the economy is the tourism industry, especially the stopover sector. This sector accounts for two thirds of the country's foreign exchange earnings, at least one third of its employment, and more than 70 percent of the base of government recurrent revenue to finance essential public services. Few advanced economies are so dependent on a single critical sector as the Bahamas is dependent on stop-over tourism, Allen said.

"The cruise sector is not much more than a useful adjunct to the stopover sector because it provides only about one tenth of the expenditure of the stopover

sector," he said. "Indeed, the growth in the cruise sector may even be inimical to the interests of the stopover visitor." He said the deterioration in tourism started in 1987, but became only evident in 1990, and accelerated in 1991 and 1992 because of the gulf crisis and the U.S. recession. He referred to the emergence of major recurrent deficits, which peaked at 82 million dollars (one Bahamas dollar = one U.S. dollar) in 1991, and the sudden surge in capital development. In the five year period from 1988 to 1991, indebtedness grew by 342 million to 870 million dollars, he said Stop-over tourism expenditure fell from 1,064 million dollars in 1987 to 880 million dollars in 1991, in constant prices, he said.

The new government has now been forced to go out and borrow 100 million dollars. Three quarters of that, said Allen, is to meet unpaid bills and complete projects left behind by the previous government. Allen said as long as the "fiscal madness" continued, the country was "whistling beyond the graveyard and there was no surer road for economic ruin. We have changed that course. We have begun the fiscal restoration, and we have done so by producing a budget whose deficit is smaller than the amount of debt we have to pay for the first time in years," he said.

Cayman Islands

Unemployment Reaches Record 7.6 Percent

FL1812180892 Bridgetown CANA in English 1606 GMT 18 Dec 92

[Text] George Town, Cayman Islands, Dec 18, CANA—Unemployment in the Cayman Islands reached 7.6 per cent in October, according to the latest Department of Labour statistics.

This is a record high for this British territory, which has traditionally had over-employment and an excess of jobs. In October, 1991 the unemployment rate was six per cent.

Out of a total work force of 16,470, the Labour Department said 1,255 people were unemployed and actively seeking work. Of the total out of work, however, young people between the ages of 15 and 24 comprised 49 per cent (615 out of work) of the total unemployment.

While the statistics include school leavers at age 15, it did not show how many young people were looking for their first-ever full-time employment after leaving school.

In 1988, the Cayman Islands reported less than 10 people for the entire year were unemployed. At that time, however, first-time job seekers and housewives who had never held full-time employment outside the home were not included in unemployment statistics.

The Cayman Islands had traditionally had to import labour to fill its employment needs. An estimated 3,000 Jamaican nationals are employed in the islands, primarily in the construction, service and domestic trades.

A large number of professionals from Trinidad and Tobago, Barbados, and Jamaica are also employed, particularly in education and government service.

The offshore financial industry, which has more than 540 banks registered in the Islands, employs a number of professional bankers, accountants and investment advisers from the U.S, Canada and the United Kingdom.

The newly elected "national team" government has pledged to replace foreign workers with qualified Cayman nationals, particularly in the civil service and professional work place.

Located in the western Caribbean, the Cayman Islands has a population of approximately 27,000, of which about 40 per cent (10,500) are foreign nationals. Approximately 18,000 Cayman citizens live abroad, according to government statistics, with the majority residing in the U.S.

Dominican Republic

Japan Donates Farm Equipment, Agrochemicals

FL2312210492 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 23 Dec 92

[Text] The Japanese Government has donated to the Dominican Republic some 30 million pesos' worth of materials and agricultural machinery that will serve to support the food production programs being implemented nationwide. Agriculture secretary, agronomist Nicolas Concepcion Garcia, said the machinery and materials consist of cultivators, insecticides, fungicides, fertilizers, and other agrochemicals. These products will be sold to small farmers at subsidized prices through the program of sales centers for farming materials.

Concepcion Garcia also signed, with Japanese officials posted in the Dominican Republic, the document by means of which the Dominican Republic will receive from the Japanese Government another donation of these types of things, which will arrive in the Dominican Republic in March 1993.

Lepido Batista, the director of the program of sales centers for farming materials, said the equipment and materials being donated by the Japanese Government constitutes the eighth such donation since 1985.

Haiti

Bazin Calls On Aristide For Negotiations

FL2312225492 Port-au-Prince Radio Metropole in French 2000 GMT 24 Dec 92

[Text] The Haitian prime minister calls on Father Aristide to negotiate. Marc Bazin has sent an urgent call, on the occasion of the Christmas holiday, to the ousted president, on behalf of goodwill, to contribute to the efforts being made to solve the crisis as soon as possible.

In a press release, Mr. Bazin also underlines his hope for dialogue and the willingness of his government to negotiate constructively, regretting that the urgency of a negotiated and peaceful solution to the crisis does not seem to be equally felt by all the Haitian parties. Bazin believes that a quick solution will end the suffering of the Haitian people and the tragedy of the boat people seeking refuge in the United States.

Bazin Interpellation Canceled; Senators Protest

FL2412001092 Port-au-Prince Radio Metropole in French 1100 GMT 23 Dec 92

[Passages within quotations in Creole]

[Text] The interpellation session of Prime Minister Bazin did not take place in the Senate on 22 December. No one knows yet if it has been postponed or not. In a letter addressed to the senators who had invited the head of government, the Senate Vice President Amos Andre has proposed that the session be postponed to the middle of January, arguing that several senators are currently on vacation. Senator Amos Andre did not, however, specify whether the prime minister received the invitation.

Interviewed by Radio Metropole, Senator-Questeur Julio Larossiliere opposes the interpellation of Prime Minister Bazin.

[Begin recording] [Larossiliere] Some men enjoy playing with the health of the Republic, meaning they enjoy playing with the physical and moral health of the Republic. The Chamber of Deputies is currently in recess. "An interpellation leads to a confidence or no-confidence vote. Suppose that it leads to a no-confidence vote, who is now going to convene the National Assembly of the Chamber of Deputies, since it is in recess? Then the country will face a major problem."

[Unidentified reporter] "A letter was addressed to the prime minister to summons him for the interpellation. What happened with that?"

[Larosiliere] "Again, since I told you that I was against it, I do not know if he received a letter."

[Reporter] "Did the Senate Office write to the senators asking for the interpellation?"

[Larosilliere] "Yes, I am sure of that since I read the letter. Twelve senators wrote to say that they would be absent. I believe that is logical because those men have been here for 14 months and have not done much work."

[Reporter] "The office thought it was normal to grant the request for 12 senators to go on vacation at the same time?"

[Larosiliere] "Listen, my brother, it is not that we granted them. The senator only notifies. Although the Senate works continuously, it also has the right to adjourn so we can take a break too." [end recording]

[Announcer] The senators from the opposition are displeased with the government's attitude and that of the Senate office regarding their invitation. They will meet with the press in reaction to this situation. Meanwhile, FNCD [National Front For Change and Democracy] Senator Turnep Delpe, severely criticized the prime minister's attitude.

[Begin Delpe recording] "This attitude started showing up with the first letter the 13 senators wrote, following other questioning sessions, to which some ministers and Prime Minister Marc Bazin were invited. They did not bother, however.

"We think that these are enough reasons to show us that this government is digging the country into dictatorship, and that the government is an accomplice in everything that is happening in the country. We think that from now on, all the sectors in the country must mobilize themselves in a peaceful way to overthrow this government because this government, can be, to us, considered resigning since the institutional games are no longer respected.

"I never know when state reasons must have priority over the Constitution. For me, the Constitution is the compass, the main law. It must serve as guide. Once there is no respect for the Constitution, there is dictatorship. No other word exists for that." [end recording]

PAIN Rejects CEP; Proposes Widened Conference

FL2312171592 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 23 Dec 92

[Text] In his latest communique published on Tuesday, 22 December, the leader of the National Agricultural and Industrial Party [PAIN], Mr. Louis Dejoie II says that he does not acknowledge the Exceptional Permanent Electoral Council that the provisional government has set up and that he will not participate in the electoral process. Consequently, according to what Dejoie says in the note, the PAIN gives more priority to the efforts to find a good solution to the crisis.

Louis Dejoie II has called on the authorities in power to defer the electoral process. He has asked them to organize instead a widened political conference in which all personalities directly concerned by the crisis can participate.

There is an important majority of political leaders who say they will not participate in the elections. Instead, they ask that a conference be held and that negotiated proposals be made in order to resolve the Haitian crisis. But until now, this dream is not yet a reality.

Former President Criticizes Bazin Government

FL2112170192 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 21 Dec 92

[Excerpts] In a message to the nation, former Haitian President Leslie Francois Manigat, who has drawn a

dark picture of the situation which the country is experiencing at this time, has asked for the resignation of Marc Louis Bazin who, he says, has failed after six months of government. According to Professor Manigat, the situation in the country—where corruption and division are rampant and also where material [word indistinct], intellectual penury, people's mediocrity joined with moral delinquency, and international decay have combined to turn the country into a true outcast which risks becoming another Somalia with military intervention under the pretext of humanitarian interference—is very critical. As Pope John Paul said 10 years ago, things must change. [passage omitted]

In Manigat's opinion, the solution to all these problems is tied to the presidential question which is a direct means for a thorough change in order to create a new country.

The leader of the Assembly of Progressive National Democrats [RDNP] again condemned the Villa d'Accueil agreement which has created a power center although the 29 March 1987 Constitution does not provide for it. According to Manigat, it is a coup d'etat staged by the Parliament and some politicians to benefit Prime Minister Marc Louis Bazin. This is an unacceptable situation and must be denounced. [passage omitted]

The RDNP leader said that the government is trying to set up an unconstitutional Permanent Electoral Council aimed at holding rigged senatorial elections, instead of tendering its resignation after the failures of the two sessions of the national assembly. The RDNP therefore said that it will not participate in those elections while awaiting a decent electoral process.... [pauses] while awaiting an electoral process that respects the rules of the democratic game to be set up.

The RDNP, which has announced that it will democratically contest those elections, demands the departure of Marc Louis Bazin. The prime minister's departure, which is inevitable today, is not the total solution, according to Manigat who thinks the rules of the political game should be redefined under the 1987 Constitution.

Furthermore, Manigat said that the majority of the Parliament is mediocre and corrupt and that it brings nothing to the country. Consequently, even parliamentarians have asked that it be dissolved. In view of this dark picture which the country is living through today, Manigat said that there are still people in the country who can change it and help it get out of its current deadlock. Anyone who would try to stand in the way of those who would like to make thorough changes in the society risks seeing a social explosion which will be worse than a civil war.

Manigat continued by saying that he is willing to meet with serious and realistic political groups in order to reach a national democratic ideal so a new process can begin that will create a new nation.

Jamaica

Customs Officers Stage Sick-Out

FL2312211592 Bridgetown CANA in English 1629 GMT 23 Dec 92

[Text] Kingston, Jamaica, Dec 23, CANA—A sick-out by Jamaican customs officers Tuesday [22 December] severely slowed down the clearance of passengers and goods at the island's air and seaports. Senior staff manned customs positions and officials of the airports authority say they have contingency plans if the action should be prolonged.

The customs officers have not clearly outlined the reason for their action, but individual officers have spoken of a range of grievances including dissatisfaction over pay, lack of promotion, and alleged neglect on the part of the authorities.

However, the operation of the customs has come under increasing public scrutiny in recent weeks, and observers here suggest that the action has much to do with a recent announcement by finance minister, Hugh Small, of a plan to reorganise the department. Small's statement followed hard on charges of massive corruption in the island's customs by Col. Trevor McMillan, the head of the Revenue Protection Division [RPD] of the Ministry of Finance. The RPD was established to police the activities in the Customs Department, and in its role, has superceded the Customs Enforcement Department, which is being eliminated.

The government has said that anyone who want to join the RPD, including members of the Customs Enforcement Department, will have to declare assets. The image of the Customs Department has been further tarnished by a major car import racket here in which the government has allegedly been defrauded of millions of dollars.

Canada Provides J$170 Million for Forestry Project

FL2112232692 Bridgetown CANA in English 2046 GMT 21 Dec 92

[Text] Kingston, Jamaica, Dec 21, CANA—Canada is providing Jamaica with J170 million dollars to finance a major project to rejuvenate and maintain the island's forests. An agreement for the project called, "Trees for Tomorrow," has been signed here by Jamaica's agriculture minister, Seymour Mullings, and Canadian High Commissioner Jennifer McQueen.

Aerial surveys have already identified the island's forestry cover and the specifies of wood found here. This will be followed by a seven-year management programme.

Canada will provide funds and technical assistance for the project, which will include developing an updated forestry data base, a watershed management scheme, and a public education campaign aimed at getting Jamaicans to preserve the island's forests. The long-term project also will include improving the legislative framework governing forestry management.

El Salvador

FMLN Will Register 4 Jan; Appoints National Council

PA2412025292 San Salvador LA PRENSA GRAFICA in Spanish 23 Dec 92 p 17

[Text] The Farabundo Marti National Liberation Front [FMLN] will register as a political party on 4 January 1993.

On 22 December, the new party presented its registration request to the Supreme Electoral Tribunal and requested that its political participation be published in the Official Gazette.

Norma Guevara and Eugenio Chicas requested that the FMLN be registered as a political party on 4 January, according to the minutes of the FMLN General Assembly.

The two persons presented the minutes of the General Assembly, which the founding members held on 21 December in San Salvador.

Shafik Handal, one of the FMLN founders, was appointed general coordinator of the new party.

In the minutes, the FMLN points out the 111 founding members attended the General Assembly. The legal situation of the party was evaluated at the General Assembly. The group specifies in the General Assembly minutes that the party will be definitely inscribed in the Register of Political Parties on 4 January 1993. The Political Commission of the FMLN is formed by Eduardo Sancho Castaneda, Fidel Recinos, and Jose Mario Lopez Alvarenga.

Members of the National Council are: Salvador Sanchez Ceren, Joaquin Villalobos Huezo, Jorge Shafik Handal, Francisco Jovel Urquilla, Eugenio Chicas Martinez, Orlando Ramirez Soriano, Justo Roberto Canas, and Oscar Inocente Rios Cortez.

Representing the women in the National Council are: Norma Guevara, Ana Guadalupe Martinez, Maria Marta Concepcion Valladares Mendoza, Mercedes del Carmen Letona, Yolanda Aida Rivera Moran, Lorena Guadalupe Pena, and Marisol Galindo.

Other members are: Miguel Edgardo Mira, Oton Sigifrido Reyes Morales, Humberto Centeno Navarro, Miguel Angel Saenz Varela, Americo Mauro Araujo, Jose Dagoberto Gutierrez Linares, Jose Mario Lopez Alvarenga, Miguel Angel Alvarado, Jaime Alfredo Miranda Flamenco, Luis Alberto Corvera Rivas, Darol Francisco Velis Castellanos, Jose Luis Quan Pineda, Juan Ramon Guzman Medrano, Roger Alberto Blandino Nerio, Eleno Hernan Castro, Jose Leoncio Pichinte, Jose Carlos Guillermo Argueta Romero, Facundo Guardado, Eduardo Alfonso Linares Rivera, Medardo Gonzalez, Joaquin Gonzalez, Joaquin Mauricio Chavez, Oscar Samuel Ortiz Ascencio, Fidel Recinos Alas, Ruben Alvarado Vasquez, Marco Antonio Landaverde, Jose Manuel Melgar Henriquez, Mauricio Rivera, Roberto Lorenzana, Carlos Antonio Ascencio, Eduardo Sancho Castaneda, Jorge Melendez, Francisco Bolanos, Antonio Alvarez, and Manuel Orlando Quinteros.

Gonzalez Denies Divisions Within FMLN

PA2412002292 San Salvador Radio Venceremos Network in Spanish 1800 GMT 23 Dec 92

[Text] Lionel Gonzalez, [Salvador Sanchez Ceren] Farabundo Marti National Liberation Front [FMLN] political leader, assessed the status of the peace agreements during a news conference on 23 December. Gonzalez also responded to some questions regarding democratic socialism and the demilitarization process that is continuing in the midst of strong tensions within the FMLN and the community in general.

Regarding the divisions within the left and the statements by [name indistinct], Lionel Gonzalez said this is not a division within the left, rather it is an internal discussion within the FMLN. He also said that as long as there are discussions going on inside the FMLN, true politics are being waged. Concerning the Ad Hoc and the Truth Commissions—which have been the most thorny issues—he said the FMLN are going to respect the decisions made by both commissions. Gonzalez said that part of the commitments were to abide by the peace agreements. He said the purging of the Armed Forces and demilitarization of the nation is a fact and a reality—noting the nation's military forces have been weakened. Hence, he noted, greater meaning is being given to the revolutionary process in the nation. Here are part of Gonzalez' statements:

[Begin recording] [Unidentified reporter] Were the goals achieved in [words indistinct]?

[Gonazalez] I believe we are in the revolutionary process, the foundation has been set. Now, we must continue consolidating the revolutionary process. We must apply democracy here. Expansion of democratic reforms is similar to participating in a revolution. I believe important changes were achieved in 1992. Plurality has been truly guaranteed in the political model. Important aspects in the military field were the thwarting of all the dictatorship elements and the purging of the National Guard, the Treasury Police, the [words indistinct], the military patrols, and the dissolution of the National Investigation Directorate. All of this has made demilitarization a reality in our nation. These actions create conditions that allow the expansion of the reforms in our country. [end recording]

Guatemala

Defense Minister Comments on Rebel Plans

PA2412043792 Guatemala City PRENSA LIBRE in Spanish 23 Dec 92

[Text] While reporting on guerrilla actions and military operations in the area of Ixcan, Quiche Department,

Defense Minister General Jose Domingo Garcia Samayoa announced that in 1992 the rebels killed two Army officers, a specialist, and 18 soldiers in that area alone.

According to the defense minister, during the same period and in the same region, the Guatemalan National Revolutionary Unity [URNG] injured five officers and 53 soldiers.

During a lengthy narration supported by pictures, documents, and weapons seized from the guerrillas, the defense minister explained the rebels still want to seize power by force and that their activities revolve around an alleged defense of human rights.

The minister said the guerrilla leaders are not prepared to accept changes and they maintain a strong political and diplomatic campaign to win international backing.

The general said the Army has carried out operations in Ixcan and in sectors where the guerrillas have illegal camps. As a result of these operations, the Army has been able to seize weapons and valuable documents, and destroyed camps, marijuana plantations, an explosives factory, and a shop for repairing weapons.

The defense minister also revealed the guerrillas have set in motion a new plan. This plan is aimed at procuring "a national agreement to seize power" by force.

According to General Garcia Samayoa this plan calls for dismantling the Army, expanding the socialist ideology, gaining strength to carry out an offensive, and securing international solidarity.

The minister also said that based on a document seized from the guerrillas, it can be deduced the URNG provides political and strategic guidelines for the repatriation of Guatemalan refugees who are in southern Mexico.

The URNG wants to agitate the Communities of Resistant People, the minister said. He added Ricardo Falla Sanchez, author of "Massacres in the Jungle," ["Masacres de la Selva"] is the ideologist of the socialist movement in Ixcan.

The defense minister explained the subversives are not interested in reconciliation or a dialogue. He also spoke about the URNG commanders' lack of political will to end the armed conflict in Guatemala.

Bomb Explodes in Front of Radio, TV Building

PA2312191692 Mexico City NOTIMEX in Spanish 1834 GMT 23 Dec 92

[Text] Guatemala City, 23 Dec (NOTIMEX)—A bomb exploded on 23 December in front of the Canal Siete building housing the offices of the Notisiete Television newscast and Radio Sonora.

According to volunteer firefighters, the explosive device was thrown from a moving vehicle and only damaged the building's telephone junction box.

Another bomb exploded in front of the Association of Guatemalan Journalists on 21 December. This action was condemned by national and foreign journalists.

The attacks on installations where media offices are located come at a time when relations between the government and the mass media are at their lowest point.

Soldiers Arrested in Death of Journalist

PA2212233492 Guatemala City Teleonce Television in Spanish 1800 GMT 22 Dec 92

[Text] Three Army specialists are in the custody of a military court for the attack against journalist Alfredo Torres in Guatemala City's Zone Six. Unfortunately, Torres died on the evening of 21 December after being placed in intensive care for wounds he received on 18 December.

The Defense Ministry said it had received reports that the perpetrators were engaged in rowdy behavior at the site when the incident occurred. The accused are under arrest at the Army General Headquarters. The military institution has guaranteed a strict trial of those involved in the attack. The individuals were on leave from the National Defense General Staff when the incident occurred.

Honduras

Further on Inmate's Relatives Threats to Americans

PA2312183692 Tegucigalpa LA TRIBUNA in Spanish 22 Dec 92 p 14

[Excerpt] Relatives of Jose Roberto Villafuerte, 44, who has been sentenced to die in the gas chamber in Arizona, still hope in God that he will not be executed. Villafuerte is to be executed on 29 December, but his brother, Juan is still hoping for the miracle of a cancellation or at least a postponement.

Juan Villafuerte is also hopeful Honduran authorities, chiefly President Rafael Leonardo Callejas, will intercede to have the sentence changed to a less severe one or have Jose Roberto Villafuerte serve his time in jail in this country.

"President Callejas is refusing to become involved by saying there is nothing he can do regarding a Honduran who has committed a crime in another country. The president must not adopt that attitude; he must intercede," Juan Villafuerte indicated.

He also complained that top officers, who knew Villafuerte when he worked at the Department of National Investigation, are not doing anything either, not even to find out how he is.

Juan Villafuerte who said he gets a knot in his throat every time he mentions his brother, noted that several relatives and friends have said that if Jose Roberto is executed in the United States they will take reprisals against U.S. citizens living in Honduras. He noted that those who know Jose Roberto have decided that "if they hit him there, we will hit them here." [passage omitted]

Nicaragua

* Reasons for Current Crisis Discussed

* Revanchism Blamed

93CA0034A Managua EL NEUVO DIARIO in Spanish 18 Nov 92 p 4

[Editorial: "The Right Is Isolated"]

[Text] It is no longer proper to say that living standards are falling in Nicaragua; rather, dying standards are rising.

The government is announcing new job conversion plans, which means that more people will be unemployed, and those who are lucky enough not to be coerced into a plan will be doomed to slow starvation on their paltry frozen wages.

Jobless, hungry, sick, and ignorant, the working people are being denied their hallowed right to protest in defense of their lives.

The people are not suicidal. They do not want to die. This is why they are organizing and protesting in factories, in neighborhoods, and in the streets.

Their social organizations are preparing for the struggle, and it stands to reason that everyone, whether a Sandinist or not, who feels the pain of the people is standing alongside them. Naturally, the revolutionaries are the first to fall in for the defense.

This exasperates and alarms the right, especially the far right, which senses in advance that it is incapable of controlling the situation.

Terrorists! exclaims Gurdian. We have to ward off the Sandinists! says Bolanos Geyer. We have to abolish the army! chant those who yesterday served as front men for the mass murderers.

The combativeness that the workers have shown in defense of their rights and the high degree of unity that is being forged unquestionably alarm the oh so Christian representatives of our sanctimonious bourgeoisie and heighten their hatred.

They compare their "grassroots" mobilizations and those of the National Workers Front, and the conclusions they draw fill them with fear.

The smug euphoria that characterized them until recently has begun to fade. They no longer feel as secure as they did after the socialist countries collapsed. The defeat of "their" president, Bush, has caused them to lose their cool and the use of reason. They are like cornered beasts, seeking only blood.

Our people are recovering. And fighting! The ebb tide is receding. Poverty is the prod, demanding an answer to our problems.

Given its intransigence, the right at large is becoming isolated from the people, and popular unity is thriving.

* Labor Unrest Explained

93CA0034B Managua EL NUEVO DIARIO in Spanish 17 Nov 92 p 4

[Editorial: "The Truth Is the Truth, Mrs. President"]

[Text] The president was bothered by the repeated complaints of grass-roots leaders about the rapid deterioration of the people's living conditions because of the austerity measures.

As the midpoint of her term nears, the promises of a quick improvement in living conditions that she made during her campaign have altogether vanished, like summer clouds, laying bare a situation in which the empty stomachs of Nicaraguans are protesting loudly.

It is convenient to blame the Sandinists for the worsening conditions, citing as a pretext the successive strikes that have been staged during the more than two years of her administration, as well as the persistent instability that prevails in the countryside. But those who have rubbed the sleep out of their eyes can see clearly that these strikes and the instability in the countryside are direct consequences of ceaselessly mounting unemployment, which stands at 70 percent overall, and of the revanchist policy of a displaced Somozist bourgeoisie that is bent on regaining its privileges.

It is the extremely violent policy of clashes that the most reactionary and recalcitrant segments of the high bourgeoisie are pursuing that is perpetuating the climate of instability, and they are doing so deliberately, in the knowledge that this makes an economic recovery less likely.

Getting back to the president's reaction, however, her remark about doing away with the rationing card is backfiring on her, because the card made sure that the poor would receive their quota of foodstuffs. At present hundreds of thousands of Nicaraguans are hungry, for the simple reason that they have no money to meet their needs.

The revolutionary media and her own newspaper abound with photographs of men and women who, having gone to the market or to well-stocked stores, simply turn around and go home without buying anything because they cannot afford it.

It is torture to see something and not be able to afford it, and ultimately to have to sift through barrels of scraps or go to the garbage dump to find a bit of contaminated food.

This is the way it is, Dona Violeta, and the worst part is that the future looks like hell itself.

* Statistics Reported

93CA0034C Managua LA PRENSA in Spanish 10 Nov 92 p 14

[Commentary by Alfonso Arguello Arguello]

[Text] It is not unusual for a fanatic who is convinced that he is championing a just cause to resort, on his own initiative or on his leaders' instructions, to lies, demagoguery, cold-blooded crime, or any extremism when his "cause" supposedly demands. Such methods also characterize the pursuit of power.

The pursuit of power has driven the nation's economy backwards in recent decades. Civilian politicians, the front men for foreign interests, have not been the only ones involved; so have the "messiahs" turned guerrillas, who in their eagerness to gain power directed their efforts mainly at destroying the means of production and the country's economy, which they could then use against the government of the moment.

The opposition's idea has been to promote the spread of hunger as its best ally and most effective subversive tactic. Alfredo Cesar's campaign to prevent U.S. aid from arriving is probably part of this effort.

The idea of government authorities has been to pursue inordinate profits without caring about the impoverishment of the country.

Logically, the very common award of huge government real estate holdings and liquid assets, as well as the concession of natural resources to foreign powers, have replaced projects benefiting the nation. The Sandinist pinata is, in part, a reflection of this idiosyncrasy among homegrown politicians because although it satisfied mainly the grievances of a vast segment of the population, it included several cases of excessive individual benefits that are offensive to our poverty-stricken people.

The biggest sophism that was heard in this connection goes: the party had to do it. There is no political power without economic power.

When will there arise a party that can place the country's development needs ahead of partisan or personal considerations?

The minister of the presidency, Antonio Lacayo, asserted recently in this connection: we are immersed in Latin American culture, with corruption among government officials the rule, not the exception.

Meanwhile, Cardinal Miguel Obando was saying: Nicaragua's backwardness is due to the traditional lack of integrity in the administration of state assets.

Some will say in consolation: at least we have gotten past the stage of the mobs. Drunk with the partisan demagoguery of egalitarianism and equitable distribution of the country's wealth, these mobs inflamed people's savage instincts against those who allegedly opposed these aspirations. I remember when young William Delgadillo, a mob leader in the Bello Horizonte district, got it into his head to brand someone a dissident (which was untrue) and in what was almost a death ritual subjected him to taunting by a crowd that was mad with rage and hatred. What fanaticism there was in that period.

Fortunately, the assimilation of our social history of fanaticism and pursuit of power has led to mounting political incredulity among our people. At present there is a vacuum of leadership. The best known leaders with influence among the people and in government have fallen into discredit. The various segments of the population that have signed agreements with the government have expressed skepticism about its promises and in their most recent statements have said "enough promises." They are demanding that they be carried out immediately.

The people are crying out: we need honest politicians who are concerned about the development of the country—no more Ibarras, no more pinatas of inequality.

* Statistics Reported

93CA0034D Managua EL NICARAGUENSE in Spanish 5 Nov 92 p 7

[Article by Wilfredo Navarro M.]

[Text] Nicaragua is currently in a crisis affecting every sphere of national life: politics, society, the economy, and mainly ethics. After more than a decade of misgovernment, when criminal impunity and disrespect for the life, honor, and property of individuals became institutionalized, when frontism tried to destroy the nuclear family and Nicaraguans' moral and ethical values, the election victory of UNO [National Union of Opposition] on 25 February 1990 lit a candle in the darkness and opened a window of hope in the effort to bring happiness to the people of Nicaragua.

We hoped that the vices of the past would disappear, that with the cooperation of all the horizon of the New Nicaragua would come into view, and that we were burying once and for all the cadaver of a retrograde ideology and an economic system that ran counter to the Nicaraguan character. Unfortunately, two years and some months after the electoral defeat of the FSLN

[Sandinist National Liberation Front] the vices are still there, and there is no short- or medium-term possibility of rebuilding the country that was destroyed in the past and is still being destroyed at present. Mrs. Chamorro's government remains a prisoner of its own contradictions, weaknesses, and lack of authority. Nepotism, corruption, unethical conduct, and a Kupia Kumi [reference to an 1984 interparty agreement] with frontism (blackmail, terrorism, violence), etc., have characterized a government that has betrayed the UNO program and handed itself over to the people who pillaged the country for almost 12 years. It must be emphasized that the crisis is getting worse by the moment, due mainly to the government's inability to resolve it. I believe that the best way to describe the nationwide crisis is in numbers, which illustrate the country's true situation graphically and irrefutably.

I will thus use statistics to describe conditions in Nicaragua so that we can clearly see how far we have gotten with immorality, blackmail, frontist terrorism, and the complicity of a weak government that has made so many economic and political mistakes, and now has us flat on our backs. Let us hope that the government reconsiders and makes the necessary change of course, thus enabling us to begin the move toward democracy with justice and freedom, which we are all crying out for but which regrettably remains a pipe dream owing to the incompetence and arrogance of those in power.

The Numbers

One-third of the population lives in critically overcrowded conditions. Demographic growth is 3.4 percent, the highest in Latin America (an average of five children per woman of childbearing age in the Pacific region and eight in the Atlantic region). The birth rate stands in contradiction to the country's economic growth rate, which is negative, thus heightening social problems. Since the population is increasing at a rapid pace and output is not, solutions cannot be provided to a population that is demanding more every day from a bureaucratic, inefficient, and corrupt state.

Thirty percent of Nicaraguans are living in poverty (1.2 million). Sixteen percent are living in indigence and destitution (644,000 persons).

Two-thirds of the labor force is unemployed. The jobless rate along the Atlantic coast stands at 80 percent of the work force. Nicaragua's unemployment rate is among the highest in Latin America. Of the workers who have jobs (23 percent), half do not earn enough to afford the basic food basket.

The average Nicaraguan consumes just half of the protein and calories he requires. Only 18 percent of the country's people can afford three meals a day.

Sixty-five percent of Nicaraguans do not have access to drinking water. Eighty percent are not hooked up to the sewer system. One-quarter of school-age children do not attend school. Seventy percent of the population do not have toilets. Eighty-six percent of the rural population cannot meet its basic needs; 55 percent of the urban population cannot either. Seven percent of the population use some sort of drug (not including alcoholic beverages).

Thirty percent of the population do not know how to read or write. Sixty percent of the country's population live in urban areas (this adversely affects farm production). Crime is up 250 percent over the past year. There is a housing shortage of 550,000 units. Eighty of 1,000 infants die before their first birthday. Nicaragua's per capita income is $340 a year, lower than Haiti's $370, and almost the same as the per capita income in Somalia, Gambia, and Kenya, the poorest countries in the world.

Frontism indebted the country to the tune of $1 billion a year (foreign debt). Mrs. Chamorro's government is proceeding at a pace of $700 million a year, with no signs anywhere that this borrowing is helping the country's deprived masses.

Each Nicaraguan owes $3,500 in foreign debt, one of the highest per capita debts in the world.

Nicaragua's public spending (the government apparatus) accounts for 45 percent of the country's Gross Domestic Product, the highest level in Latin America.

Total foreign donations are estimated at more than $700 million a year, which is equivalent to $175 per capita; this is among the highest in the world, exceeding donations to the poorest countries of Africa and Asia.

This year 4.6 percent of Nicaraguans are eating less than last year. Sixty-nine percent spend less on clothing and shoes. Sixty and a half percent feel that their income has declined. Sixty-five percent feel less certain about the future. This year's trade deficit is up 122 percent from last year. Imports are up 39 percent, while exports are down 24 percent (Nicaragua is buying more and more and producing less and less). Whereas in 1977 our exports totaled $800 million, in 1981 they stood at just $281 million (down 77 percent).

Schools, hospitals, clinics, and medicine are also in short supply, but there are still more than enough barracks and weapons. Drug trafficking, prostitution, venereal disease, and illnesses of all kinds (cholera, dengue fever, diarrhea, respiratory ailments, kidney disease, malaria, tuberculosis, etc.) have spread.

These are the actual conditions in Nicaragua, and in the face of this distressing picture only the hard-hearted could remain unmoved. The saddest thing of all is that frontism and the new ruling economic and political group continue to wrest the state's meager resources from the people through pinatas and corruption, resources that ought to be used to alleviate the critical situation of Nicaraguans. The government must be held responsible, because the problem rests largely in the very government that betrayed the UNO program and its campaign promises, turning into a corrupt government

of technocrats, marked by nepotism, devoid of political judgment, and totally lacking in social sensitivity.

Panama

Supreme Court Declares Arosemena Arrest Illegal

PA2312180492 Panama City Telemetro Television Network in Spanish 1730 GMT 23 Dec 92

[Text] The plenary of the Supreme Court of Justice has ruled that the arrest of Customs Director Rodrigo Arosemena is illegal.

The Supreme Court magistrates based their decision on defects found in the attorney general's request for Arosemena's arrest.

Magistrate Edgardo Molino Mola said in a news conference that the court took into consideration several different points, including the fact that the attorney general sent several notes, on different dates, to Rodrigo Arosemena which Arosemena did not answer. Therefore, the necessary elements to open a case for contempt do exist.

However, the attorney general made mistakes in the procedures for requesting the arrest and that is what moved the court to rule in favor of the habeas corpus filed for Arosemena. Arosemena, however, could be subject to a new process by the attorney general, unless he answers the notes sent by the attorney general.

Arosemena Comments

PA2312232092 Panama City Telemetro Television Network in Spanish 1730 GMT 23 Dec 92

[News conference by Customs Director Rodrigo Arosemena upon his release by the Judicial Technical Police in Panama with unidentified reporter on 23 December—recorded]

[Text] [Arosemena] The Supreme Court of Justice has sent Note No. 12-76 to Judicial Technical Police Director Jaime Abad declaring my arrest illegal. I would like Mr. Abad to read it—please Mr. Abad.

[Abad] I respectfully request that you free Rodrigo Arosemena de Roux immediately—if there is not other suit against him—[applause] because the plenum of the Supreme Court of Justice declared his arrest illegal through a resolution dated 23 December 1992 in reply to a habeas corpus petition filed on his behalf and against the attorney general of the nation.

Mr. Director, as there is no other suit against you, may God be with you. Merry Christmas. [cheers, applause]

[Arosemena] All my friends and the Panamanian people have shown their solidarity. I know some people are staging a hunger strike, and I will visit them later. I thank Jaime Abad and his personnel for the professional way in which they handled this matter. Some arrests are dignified and this arrest dignified me enormously. I am proud to be Panamanian. I will continue to fight drug trafficking regardless of the consequences. I have said this before.

It seems Attorney General Rogelio Cruz has learned nothing from democracy. He continues to wear the suit and tie he used to wear during the dictatorship he belonged to. We will continue to fight drug trafficking regardless of the consequences. You can rest assured my life is safe because the Panamanian people support me.

Attorney General Cruz wanted to send me to the Modelo Prison—although only the Government and Justice Ministry is empowered to do so—with the undeniable goal of eliminating me; he wanted something bad to happen to me there.

[Reporter] Will you file a lawsuit against Attorney General Cruz?

[Arosemena] Of course, I think he overstepped his authority. He did not even notify me of the resolution he was going to issue.

[Reporter] Mr. Arosemena, the attorney general ordered you to produce certain documents. In fact, a note from Deputy Treasury Minister Sucre ordered you to produce the documents Attorney General Cruz requested. You are in contempt for failing to do so.

[Arosemena] That is a very good question. Cruz has asked me to produce documents I do not have at the Customs Directorate. I will inform him of this. He has those documents. Documents are being removed from public offices, then people are asked to produce them when this is not possible. This is mean and absurd but I will be replying to him and adopting the necessary measures.

I am an attorney who respects the laws of the Republic of Panama. I think the attorney general thought he would intimidate me; that I would hide or run away. I will face justice because he who has a clear conscience has nothing to fear.

Attorney General Cruz Comments

PA2312225392 Panama City Telemetro Television Network in Spanish 1730 GMT 23 Dec 92

[Text] Attorney General Rogelio Cruz voiced optimism regarding the Supreme Court of Justice ruling ordering the release of Customs Director Rodrigo Arosemena. He warned other arrest warrants will be issued if the requests made by his office are not heeded.

[Begin recording] [Unidentified reporter] How do you feel about the Court ruling.

[Cruz] Although I have not seen the text of the ruling, and I have only heard the statement by the magistrate who issued a ruling on the habeas corpus petition, my first reaction is to feel this is one step forward. Rodrigo Arosemena knows he is not above the law and must answer the attorney general. He also knows the attorney

general is empowered to impose this punishment. When he leaves the Judicial Technical Police building, he must go to his office to answer the attorney general. If he does not, I will immediately issue another warrant. This time, however, I will abide by the legal requirements that, according to the Supreme Court of Justice, were not followed the first time.

[Reporter] After his release, Arosemena charged that you are politically persecuting him and there are personal problems involved. What do you think?

[Cruz] This is really a legal persecution. Offenders usually seek other excuses to prevent investigations. His group is involved in a political persecution of the attorney general, and that is clear.

[Reporter] Who do you mean by his group?

[Cruz] Pardon me?

[Reporter] Who do you mean by his group?

[Cruz] I am referring to his political group and friends; Comptroller General Ruben Dario Carlos; Eusebio Marchosky, magistrate of the Directorate for the Recovery of State Property; Alvin Weeden, and other private citizens who represent the cronies and business partners we are trying to investigate.

[Reporter] Arosemena said he was going to file a suit against you for abuse of authority.

[Cruz] He can file any suit he wants. He has already filed 30. I can take 30 and then some. We represent the interests of the state. We know that if we pursue all the fat cats, we will have all sorts of problems. We walk tall and the law is on our side. We are not going to be afraid of the stones they hurl at us along the way. [end recording]

Attorney General on War With 'White-Collar Mafia'

PA2312194792 Panama City LA ESTRELLA DE PANAMA in Spanish 23 Dec 92 p 1

[Report by James Aparicio]

[Text] On 22 December, Attorney General Rogelio Cruz said he was at war with "a conceited, white-collar Mafia that believes it is untouchable." He said important members of the co-governing Nationalist Liberal Republican Movement (Molirena) are related to this Mafia.

"There is an ongoing war and I am fighting back. The proof is that I have been the target of a bomb attack, an arraignment, and an adverse political campaign," Cruz asserted when he was interviewed by LA ESTRELLA DE PANAMA.

Cruz added that he had decided to penalize Customs General Director Rodrigo Arosemena with four days in jail for disobeying an official request to answer the criminal charges presented against him by Jose Angel Terrientes.

Terrientes charged that Arosemena had abused his authority and had acted illegally when he confiscated 20 sacks of Japanese rice belonging to the Japanese Embassy and when he arrested Terrientes for 30 days and confiscated his personal vehicle.

Although Cruz ordered that Arosemena be sent to Modelo jail for the four days, Judicial Technical Police [PTJ] Director Jaime Abad considered the order was a mistake "because Arosemena has distinguished himself for his exemplary work as a public official."

Cruz agreed to have Arosemena, who surrendered to the PTJ on 22 December, stay at the PTJ offices until 25 December. Cruz, however, warned that Arosemena still has to testify in the Terrientes case.

It should be noted that PTJ members, at gun point, did not allow journalists to cover the events related to Arosemena's surrender.

According to Cruz "there is no doubt" the war against him is headed by Comptroller General Ruben Carles; Rodrigo Arosemena; Legislator Leo Gonzalez; Eusebio Marchosky, the Directorate for the Recovery of State Property president; and others. He added that all are related to Molirena.

Approximately 30 customs employees shouted slogans against Cruz when Arosemena surrendered at the PTJ. At the same time, a top Molirena official [not further identified] announced the launching of a counterattack against the attorney general.

Cruz reiterated that his office is currently investigating approximately 30 government officials, who have been charged with abuse of authority, illegal enrichment, and corruption. He added that many of those officials could be arrested in the forthcoming weeks.

"There is a war and we have to fight. This is precisely what I am doing. Undoubtedly there is an ongoing war," Cruz stated.

Cruz presented a motion [incidente de controversia] against Solicitor General Donatilo Ballesteros, who is investigating him on charges that he allegedly released bank accounts claimed to be used in drug trafficking.

According to Jose Miguel Aleman, who is Cruz's lawyer, the charges presented by [lawyer] Alvin Weeden, Eusebio Marchosky, Rodrigo Arosemena, and Leo Gonzalez have to be dismissed as supporting evidence was not presented.

A Legal Branch source revealed that Arosemena could be released on 23 December, if the Court accepts the habeas corpus presented by his lawyer.

Gallardo Granted Safe-Conduct; Departs for Venezuela

PA2412014792 Panama City ACAN in Spanish 0051 GMT 24 Dec 92

[Text] Panama City, 23 Dec (ACAN-EFE)—Danilo Gallardo, a former lieutenant of the Panamanian police, departed on 23 December in exile to Venezuela after escaping from the main garrison of the National Police. He had been imprisoned charged with terrorism, diplomatic sources in Panama reported.

Gallardo had been imprisoned for nearly one year for allegedly participating in several attacks and preparing a plot called "Murder the Fat Guy," aimed at eliminating Panamanian President Guillermo Endara.

On 23 December, the former officer received a safe-conduct from the Panamanian Government after it was notified the Venezuelan Government granted Gallardo political asylum, Venezuelan diplomats reported.

Danilo Gallardo was accompanied by Venezuelan Ambassador Luis Ochoa Teran to the international airport, where he boarded a plane to Caracas.

No Panamanian official source confirmed the issuance of a safe-conduct to Gallardo, however, his departure from the Venezuelan Embassy accompanied by Ochoa was shown on television. Ochoa emphasized that there is a "true democracy" in his country, contrary to statements by opponents of President Carlos Andres Perez.

The former officer had mysteriously escaped from the National Police garrison on the week of 13 December. Police Chief Osvaldo Fernandez said on 23 December that Gallardo was at the Venezuelan Embassy and had requested asylum because he felt he was being "politically persecuted."

Article Analyzes Political, Economic Situation

PA2312222292 Panama City LA PRENSA in Spanish 20 Dec 92 p 30-A

[Article by LA PRENSA President and Director I. Roberto Eisenmann, Jr.: "Were We Better or Worse Off Struggling Against Noriega?"]

[Text] The level of legitimate frustration among our people has led many to say, evidently not knowing what they are talking about, that "we were better off struggling against Noriega." This is a gut reaction.

Others add, "the government is a disaster...the presidency does not lead or make decisions...justice does not work...there is corruption...and the criminals? Well, thank you, and you...? Nothing has changed, so on, and so forth." They are appropriate as gut reactions, but we must admit they are only that: Reactions that come from the gut and not from the head.

If we analyze the situation with our heads and make a list of positive and negative things, we would come up with something like this:

On the positive side:
—We have a civilian president elected by the people. He does not lead, but is not a threat to anybody.
—There is a separation of branches that offers us a genuine system of checks and balances.
—The army was destroyed.
—The cabinet is made up of a good number of honest ministers with good intentions (for example, the ministers of treasury, housing, public works, planning, and so on).
—There is a comptroller general who imposes an iron-clad fiscal discipline.
—We have a highly qualified, but not effective Supreme Court.
—The economic program has transformed us into an international recipient of credit.
—There is an annual economic growth rate between 7.3 and 9.1 percent.
—Construction is growing at 63 percent, the free zone at 30 percent, and bank deposits at 10 percent. We cannot grow any faster!
—Inflation is virtually nonexistent.
—The liquidity of the banking system is very high. The bank loan system is open and competitive.
—Panamanian professionals of the highest integrity are managing the Panama Canal.
—The police are headed by a nonpartisan civilian who has good intentions.
—There are full freedoms and freedom of speech.

On the negative side:
—There is a dangerous economic and social polarization. Economic growth has not trickled downward at the required speed.
—There is a manipulated and delayed administration of justice at the level of the Attorney General's Office.
—There are signs of corruption that are a matter of concern, although this is still an exception rather than the rule.
—There is a lack of leadership, cohesion, and action on the part of the government.
—There is a lack of commitment to change and to act efficiently on the part of the government.

After listing the negative and positive aspects, it is easy to conclude we are a thousand times better off, but far from reaching our goal. Why? What is happening? What is the diagnosis? In seeking answers we studied many other periods of transition from dictatorship to democracy and found the same situation. There are universal traits.

Prolonged struggles lead us to idealize solutions. We entered the transition period with extravagant and impossible expectations. There was immediate disillusionment.

Our rulers are amateurs and coalition governments are inherently weak and incoherent.

There has not been an orderly programmed transition of power—only a chaotic one. We got rid of the dictator, but not his habits. Some of these are:
—The habit of confrontation. We have not left the trench. We pulverize rulers of all persuasions.
—The habit of being annoyed by anything political.
—The habit of not believing in anything or anybody.
—The habit of political favoritism and corruption.

These habits have no immediate solution. We cannot just turn on the switch of harmony. This involves an evolution. It takes time because the past is still too fresh in everyone's mind.

If we analyze the case of Poland, which is headed by Lech Walesa—the most efficient natural leader of modern times—we realize poor Walesa is on equal terms or worse off than Endara.

I conclude this article by stating we should by no means say we were better off struggling against Noriega. The evils we are facing, and there are many, are not Panamanian evils. They are universal and are inherent to all deplorable transitions. It is a time when illusions are shattered.

As we realize this, let us leave behind this depressing lethargy. Let us understand what is happening to us and why. Let us change the course of our path, let us regain our basic optimism...our vitality.

Let us apply pressure to replace the attorney general through institutional means, and to bring the minimum wage up to the value of the family basket to ensure economic growth trickles downward; let us ensure the state is efficient in attracting investments; let us democratize capital by distributing stock among workers and customers; let us facilitate the creation, financing, and consolidation of small businesses; and let us establish through broad consensus the mechanisms for the takeover of canal operations and reverted areas.

As a vital country let us acquire the collective commitment of thinking big as a participative society.

The project called Panama needs our vision and actions, but above all, our hope!

Official Forecasts Surplus in Tax Revenues

PA2312162692 Panama City LA ESTRELLA DE PANAMA in Spanish 23 Dec 92 p 84

[Report by Carmen Elida Contreras]

[Text] Francisco Young, general revenues director of the Finance and Treasury Ministry, said on 22 December that his department will close the year with a surplus of 75 million to 80 million balboas above the projected figure because of the country's economic growth.

"We think we are going to close the year with 75 to 80 million balboas above the projected figure," Young indicated.

The surplus was registered even though the year began with a cash balance deficit of 61 million balboas, he added. This year's figures will help cover that deficit, the official noted although he did not provide specific data on amounts collected in taxes. "The tax surplus can be attributed to an improvement of the economy," Young said. The General Directorate of Revenues is making its tax projections for 1993 based on economic growth estimates.

Argentina

Menem Announces Retirement Allowance Increase

PY2412023392 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2253 GMT 23 Dec 92

[Text] Buenos Aires, 23 Dec (NA)—The government today announced that as of 1 January, the minimum retirement allowance paid to people under 85 will be 200 pesos, while the minimum allowance paid to people above that age will be 250 pesos.

President Carlos Menem, who made the announcement to some 100 leaders of organizations for retired workers and pensioners, said that with this adjustment "the government has honored the social debt" that it owes to retired workers and pensioners.

During the ceremony, which was held at the Government House White Hall, "a system of major discounts in medicine prices" for PAMI [Comprehensive Medical Assistance Plan] members was also announced.

After reporting the adjustment of minimum allowances, the official announcer said that all retired workers and pensioners will be paid their allowances and their Christmas bonus before the end of the year.

Menem, the only speaker at the ceremony, said that the government "will earmark $900 million pesos" annually—from what he referred to as "genuine funds"—to finance the announced increase.

The official announcement of the adjustment explained that the increase will not benefit those who receive retirement allowances from foreign countries, those who live abroad, those who own real estate—unless it is a family house—and those whose spouse receives a retirement allowance.

As for the medicine price reduction, it was reported that they will include "more than 500 products." PAMI members living in southern Argentina will receive free medicines.

The price reduction agreement, which was signed by the government and area enterprises, includes an expansion of coverage to 100 percent for medicines commonly used by the aged, and discounts of 80, 50, and 30 percent for other medicines.

It was pointed out that the medicine price reduction "implies a transfer of $100 million" to the class of retired workers and pensioners.

Menem, who spoke for 30 minutes, dedicated most of his speech to a detailed account of the situation the country was in in July 1989, when he assumed power ahead of schedule.

He used the rest of his speech to outline the advantages of the convertibility plan, which among other things has made it possible for the government to grant this adjustment to retired workers "with genuine funds, because printing money is not permitted now."

Menem finally asked retired workers "to continue to support us" to lead Argentina toward a better future. He nonetheless admitted that the announced increase "is not enough" to meet the aspirations of retired workers and pensioners.

Senate's One-Third Renewal Nearly Complete

PY2312215392 Buenos Aires PAGINA/12 in Spanish 2 Dec 92 p 10

[Summary] The Senate approved yesterday the accreditation of 10 senators, including Luis Leon (Radical, Chaco), Antonio Cafiero (Justicialist, Buenos Aires Province), Fernando de la Rua (Radical, Buenos Aires, District Capital), Elias Sapag (Neuquen Popular Movement, Neuquen), Juan Carlos Romero (Justicialist, Salta), Julio San Millan (Justicialist, Salta), Fernando Cabana (Justicialist, Jujuy), Ricardo Branda (Justicialist, Formosa), Julio Cesar Humada (Justicialist, Misiones), and Alfredo Avelin (Crusade for Renewal, San Juan).

Provincial legislatures still have to elect six new senators to complete the renewal of one-third of the Senate, as mandated in the Constitution. It is estimated, though, that the Justicialist Party will not have a two-thirds majority, namely 32, but will only get 30 or 31 seats, while the Radical Party will lose approximately 10 seats, and the provincial parties will increase their representation by seven seats.

Bolivia

Social Defense Secretary Assesses Anti-Drugs Campaign

PY2412025092 La Paz Television Nacional Network in Spanish 0000 GMT 24 Dec 92

[Text] One of the most important state institutions, and for that reason an institution with a lot of work, is undoubtedly the Social Defense Under Secretariat. The following note includes statements by Social Defense Under Secretary Gonzalo Torrico and Coca Leaf Director Dante Lorini.

[Begin Torrico recording] The most important thing during this year that is about to end is that the government of the Patriotic Agreement has fulfilled its commitments. We have been able to maintain peace in Bolivia. We have endeavored to energetically and vigorously enforce the laws against drug trafficking. We have received international recognition—including the recognition of international organizations and friendly countries—for our efforts to fight drug trafficking. [end recording]

Coca Leaf Director Dante Lorini said:

[Begin Lorini recording] One of our important accomplishments was the understanding we had with the different coca producer federations in Yungas and Chapare. We have worked together. Our most outstanding accomplishment is the establishment of three legal markets for coca producers. One is located in Cochabamba. This market has already been finished and approved by a ministry resolution. Regulations have also been approved. The market will be ruled by a board of directors. Here in La Paz we were able to convert the former Villa Fatima matches factory. The decree was issued yesterday and the factory has already been handed over to Yungas coca producers. These are two important accomplishments this year. [end recording]

Brazil

Fernando Collor Rejects Court-Appointed Lawyer

PY2312211192 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 23 Dec 92

[Report by Alexandre Garcia in Brasilia]

[Text] During a news conference that suspended President Fernando Collor just gave in his library, he said he does not accept the court-appointed lawyer and that today he will appoint a new lawyer.

[Begin recording] [Collor] I intend to appoint a new lawyer to guarantee a minimum fair defense. I imagined that the court-appointed lawyer would faithfully comply with the duty entrusted to him by Federal Supreme Court [STF] President Sidney Sanches and defend me. However, his attitude from the moment he was appointed has made me decide that he is not worthy of my trust and therefore, I will appoint a new lawyer to continue with this judgment by respecting the law, being impartial, and not being influenced by anyone—considering what can be expected from this process, which is openly being manipulated by political interests, something that by all means is regrettable.

[Unidentified reporter] Who is the new lawyer?

[Collor] We do not have a name yet, but we are discussing and evaluating this, and he must be appointed today.

[Reporter] Would you trust Deputy Roberto Jefferson to defend you?

[Collor] We have many friends, people we absolutely trust and who fully respect the rules of the game, even the law which determines the impeachment procedures. Deputy Roberto Jefferson is one of the persons I trust. [end recording]

Suspended President Fernando Collor will have to request STF President Sidney Sanches to include a new lawyer in the process. Sanches will have to examine the issue under the light of Law No. 1079.

Based on Paragraph 1, Article 62 of the mentioned law, Sanches chose a court-appointed lawyer to defend President Collor, who was held in contempt of court for not having attended the trial session yesterday. This means that Collor will not be able to attend the trial from now on.

Sanches must now examine if Law. No. 1079 foresees any exception. Sanches must also consider the situation from another point: The dismissal and appointment of a new lawyer is simply a maneuver to delay the impeachment, as demonstrated by the fact that the lawyers dismissed by Collor will continue defending him from the common crime accusations.

A short while ago, a spokesman for President Itamar Franco reported in Government House that Itamar will not reply to the criticisms made by the suspended president. The spokesman said President Itamar intends to precisely comply with the promises made by the suspended president, mainly regarding the poor.

Names New Lawyer, Seeks More Time

PY2312235792 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 23 Dec 92

[Excerpt] Alagoas State Attorney (Jose Rocha Moura) has accepted suspended President Fernando Collor's invitation to defend him in the impeachment process. With the appointment of his new lawyer, President Collor defined the strategy he will use from now on in the procedure at the Senate. Alexandre Garcia speaks live from Brasilia:

[Garcia] Attorney (Jose Moura Rocha) is 60, and has been practicing law for 37 years. He studied in Rio de Janeiro, and is a criminal lawyer. Some of his clients are Alagoas Governor Geraldo Bulhoes, Alagoas first lady (Denilma Bulhoes), and Rosane Collor for the LBA [Brazilian Welfare Legion] case. He has been discussing the strategy to be adopted from now on with President Fernando Collor. He has three missions:

First, to get more time. At this moment he is at the Senate, trying to be recognized as Collor's lawyer. He is carrying a request for 30 days to study the process.

His second mission is to insist on the presentation of experts' opinions on the Casa da Dinda gardens and the accounting of Brazil Gardens.

His third mission will be to prove a narrow business association between Paulo Cesar Farias and (Roberto Nering Cesar) of Brazil Gardens. [passage omitted]

PC Farias Arrives in Spain for Medical Treatment

PY2212022292 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 21 Dec 92

[Text] Paulo Cesar Farias, aka PC, his wife and two children today arrived in Barcelona, Spain. They are staying in one of the city's most expensive hotels. PC Farias is spending more than $2,000, that is, more than

28 million cruzeiros per day for a suite in the Ritz Hotel. He and his family walked in Barcelona for the entire day. The air taxi that took him to Spain is returning to Brazil. The plane made a stopover in Seville and the Azores on its way to Brazil.

The departure of PC Farias from Brazil surprised the Alagoas Federal Police. The new Federal Police superintendent who was installed today has said that PC has to reply to two inquiries in Alagoas, and that despite this he did not need to report his comings and goings to the police.

The employees of Farias' house in Maceio have stated that PC will reportedly go to Recife and then to the United States. Alagoas Federal Police Superintendent (Jose Guedes Bernardino) today said that PC Farias did not need to report his whereabouts to the police.

[Begin Guedes Bernardino recording] We are not aware of any impediment preventing him from leaving Brazil. [end recording]

The Federal Supreme Court [STF] knew that PC Farias was about to go abroad. According to nine articles of the Penal Code, nothing can prevent him from leaving the country.

PC Farias' trip was reported to the STF late last week, therefore it was not a any surprise. On 17 September Justice Ilmar Galvao received a document in which PC Farias' lawyers reported that he would leave the country to undergo medical treatment at the Pneumology Department of the Barcelona Clinic in Spain.

According to the lawyers PC Farias has a problem with snoring. The document states that PC Farias will return to Brazil by 24 January. Galvao can do nothing. He approved and signed the document.

The Federal Police can do nothing either. Since President Collor signed a decree ending the need to complete arrival and departure cards, the police no longer exert control even on the number of Brazilians who go abroad. The only document proving PC Farias' departure from Brazil is the passenger manifest presented at Recife airport.

The Justice Ministry can do nothing either. The Brazilian Government can only determine that PC Farias return to the country if his preventive imprisonment is ordered. On 18 October the Federal Police asked that a decree be issued but the STF has not yet replied to the request. If a decree is issued in the next few days, the Brazilian Government will be able to request PC Farias' extradition.

Plans To Return To Answer Charges

PY2412023192 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 23 Dec 92

[Text] Paulo Cesar Farias today completed his first series of medical tests in Spain. During an interview he talked about the trip, his defense, and about who is paying his expenses.

Paulo Cesar Farias is undergoing a series of tests at a hospital in Barcelona. His headquarters is the most luxurious hotel in Barcelona, where his expenses are more than 15 million cruzeiros per day.

[Begin recording] [Reporter Roberto Cabrini] Did you escape from Brazil?

[Farias] No. My trip is absolutely legal. I made sure to officially inform the Supreme Court of my departure because the attorney general included me in a report before that court—you can see a copy of the document here. I wanted the purpose of my trip to be as clear as possible.

[Cabrini] Who is paying your expenses?

[Farias] My expenses are being paid by my companies. It has always been so for many years.

[Cabrini] Will you stay abroad if the president is found guilty, or will you return to Brazil?

[Farias] The result of the president's trial will not change my life. I will continue to be the same citizen, and as I have said before, I will return to answer all charges, reveal facts, answer questions, show proof, and prepare my defense.

[Cabrini] Do you ever contemplate the possibility of going to jail?

[Farias] No. Never.

[Cabrini] Are you prepared for that possibility?

[Farias] No. I do not believe it will happen, because I am innocent. I am going to tell the truth. If the truth makes life difficult for others, that is something else. [end recording]

Political 'Struggle' Behind Krause Resignation

PY2112152092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Dec 92 Economic Section p 1

[Text] Brasilia—The struggle between nationalists and liberals is responsible for the resignation of Gustavo Krause from the Finance Ministry. This dispute, which reached its peak when interim President Itamar Franco met with economist Dercio Garcia Munhoz, is not yet finished, although the first defeat has been for the liberals. Another government wing, made up of a considerable part of the PMDB [Brazilian Democratic

Movement Party], the PSDB [Brazilian Social Democracy Party], and the left, headed by lower house government leader Roberto Freire (PDB-PE) [Brazilian Democratic Party] has begun to appear as a real alternative political support base for the Itamar administration after suspended President Fernando Collor is impeached by the Senate.

The removal of Krause, which had been plotted some time ago, represents the fulfillment of an operation coordinated by Justice Minister Mauricio Correa, with the help of Consultant General Jose de Castro and Deputies Waldir Pires (PDT-BA) [Democratic Workers' Party-Bahia] and Miguel Arraes (PSB-PE) [Brazilian Socialist Party-Pernambuco] to sponsor the meeting between Itamar and economist Dercio Munhoz. The result was, however, accomplished early: Krause resigned, unexpectedly unmasking the operation. The triumph of the nationalist sector which has formed a circle around Itamar has demonstrated its power, but has also caused considerable harm to the government.

"The worst thing that could happen was the downfall of the finance minister before the vote on the impeachment in the Senate," said young Social Action Minister Jutahy Magalhaes, from the PSDB. The liberals are not the only ones who are worried. The reaction also reached the PMDB, Deputy Roberto Freire, and the circle close to Itamar, which exerts strong influence on him and which stimulates the nationalist officials who remain indifferent to the reactions of the financial market. This circle close to Itamar is made up of, among others, Consultant General Jose de Castro, Justice Minister Mauricio Correa (who personally introduced Munhoz to Itamar), Presidential Secretary General Mauro Durante, and the congressmen who oppose the liberalization of the economy.

Another result of the struggle which ended in the resignation of Krause was the appearance of Planning Minister Paulo Haddad as a new force in the cabinet. Following a meeting yesterday among Haddad, Itamar, the government leader in the Senate, Pedro Simon, and Deputy Roberto Freire, Simon said that "Haddad is today much stronger." A few days ago Haddad's resignation was considered certain. He appeared as a compromise solution, an alternative for the command of the economy, as a result of the dispute between the nationalists and liberals. He is considered to stand at a point in the middle, between these two groups.

National Congress Summoned for 'Special Sessions'

PY2312195292 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 23 Dec 92

[Text] The presidents of the Senate, Mauro Benevides, and Chamber of Deputies, Ibsen Pinheiro, summoned the National Congress for special sessions from 25 to 31 December. Senator Benevides asked the senators to attend the sessions:

[Begin recording, in progress] .... we are ready for the 29 December session. I, as Senate president, must adopt all the measures to guarantee the presence of the 81 senators in Brasilia. In today's session, for example, 79 senators attended the plenary hall. Only two of them did not arrive here. This means that our effort was a total success; so we intend to make a similar effort on 29 December to have all the 81 senators present. [end recording]

The special congressional session also must vote before the end of the year on the 1993 national budget bill, which still is being debated in Congress.

Minas Gerais Governor Suggests Pact Against Crisis

PY1912231292 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Dec 92 p 5

[Text] Belo Horizonte—A social pact capable of uniting politicians, entrepreneurs, workers, and civilian society groups may be the only solution to prevent a commotion in the country. The suggestion, made in an admonishing tone, was made yesterday by [Minas Gerais] Governor Helio Garcia (no party). He stressed: "I fear this social commotion and I believe there is a risk indeed." Garcia believes that politicians, even those with dissenting stances, must talk. In Garcia's opinion, however, with or without a pact, curbing inflation should be one of the Itamar administration's priorities in order to prevent it from becoming hyperinflation. Garcia said: "The latter would be chaos."

The Minas Gerais governor expressed support for the planning minister, Minas Gerais-born Paulo Haddad, who currently also is acting economy minister. Garcia, who received a telephone call from Haddad this morning, complimented: "He is a serious, honest, and competent man." Denying that Haddad had asked for political support, Garcia reported: "He called me to say that everything is normal."

U.S. Loans Obtained for River Decontamination

PY1812234092 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 17 Dec 92

[Excerpts] Sao Paulo Governor Luiz Antonio Fleury today signed a loan contract in the United States. This loan will provide the money to decontaminate the Tiete River. The work will begin in early 1993.

[Begin recording] [reporter Antonio Carlos Ferreira from Sao Paulo] Sao Paulo deserves to have something better to look at. The city's main river is a veritable cesspool that contains no oxygen at all. It is a dead river. After receiving waste from 1,200 factories, its waters have become a thick soup of chemical waste and garbage. The first stage of the plan to save the river will cost $900 million.

Today Sao Paulo Governor Luiz Antonio Fleury signed in Washington, a contract with the Inter-American Development Bank that will put up half of the money.

[Fleury] This project will change the landscape; it will change the life of the citizens and the city of Sao Paulo and the metropolitan region. [passage omitted] [end recording]

Governor Fleury also went to the World Bank headquarters, where he signed another contract for a $119 million loan that will be used to decontaminate the Guarapiranga reservoir.

New National Iron Company President Named

PY2312022192 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Dec 92 economy section p 10

[Summary] The government has appointed Sebastiao Faria as the new president of the National Iron and Steel Company (CSN), replacing Roberto Procopio Lima Neto, who has been dismissed. Farias was the CSN operations director.

Chile

Government To Send Aid, Not Troops, to Somalia

PY2312173892 Santiago Radio Chilena Network in Spanish 1600 GMT 23 Dec 92

[Report by Maria Angelica Rodriguez from La Moneda Palace]

[Text] Chile will not send troops to Somalia during the initial phase because these troops were requested for a second phase that will begin within six months. This remark was made by Foreign Minister Enrique Silva Cimma, who said a decision was made to deliver humanitarian aid—basically involving foodstuffs—that will be collected in a national campaign:

[Begin Silva recording] We will resort to all the people who are media experts like [television anchorman] Mario Kreuzberger and [television anchorman Antonio] Vodanovic and we will conduct a campaign called Chile Aids the Somali Children. [end recording]

This campaign will be conducted in January. The government will also make a monetary contribution, the amount of which still has not been determined.

This issue was reviewed at Government House during a meeting in which the interior, defense, foreign, and finance ministers participated.

Lawmakers Ask for Diplomatic Recognition of PLO

PY2312173392 Santiago EL MERCURIO in Spanish 18 Dec 92 p C6

[Excerpts] Valparaiso—Chamber of Deputies President Jose Antonio Viera-Gallo and chamber Vice President Mario Hamuy have submitted to the government the need for the PLO to be diplomatically recognized in Chile.

The petition was made during a ceremony in which the deputies expressed their support for the Palestine people's cause. The ceremony was held in Congress' Honor Hall with the participation of numerous members of the Palestine community living in Chile.

The ceremony was presided over by Viera-Gallo; Hamuy; Hussein Adbel-Khalek [name as published], the PLO representative in Chile; and Jaime Nazal, president of the Palestine Federation in Chile. [passage omitted]

Hussein Adbel-Khalek closed the ceremony with an address in which he referred extensively to the PLO and its objectives, and to the victories and failures that the Palestine people's cause has had.

He expressed his confidence that the proposed and desired objectives will be achieved by the Palestine people, and in the steps that will be taken in this respect by the new U.S. Government.

Ricardo Lagos Named CPPD Presidential Hopeful

PY2312211392 Santiago Radio Chilena Network in Spanish 1600 GMT 23 Dec 92

[Text] The Party for Democracy [PPD], the Socialist Party [PS], and the Leftist Democratic Participation Movement [PDI] this morning signed a solemn commitment for the continuation of the Coalition of Parties for Democracy [CPPD], and for the presidential candidacy of Ricardo Lagos.

The solemn ceremony was held in the Tupahue Hotel today with the participation of practically all ministers, under secretaries of the PPD and the PS, as well as congressmen of the two parties, and the leaders of the PS, PPD, and PDI.

The agreement has five points. The first is to reinforce the support of these parties through their contribution and participation in government administration. The second is to strengthen the CPPD, and to project them beyond 1994 by guiding the actions of the next government with a common program to be prepared during the first half of 1993. The third point is to get the highest congressional majority through a single list. The fourth point is to make double effort to guarantee the success of the presidential candidacy of Ricardo Lagos for the CPPD. The fifth point says that the parties affirm their strict commitment to respect the rights of all Chileans to

decide democratically who will be the best representative of the CPPD as the future president of the Republic, and that they promised to find a desirable and democratic procedure to name the best representative.

Presidential hopeful Ricardo Lagos spoke on this occasion on the importance of the commitment.

[Begin Lagos recording] I see this commitment as a reaffirmation with our history and with ourselves, with what we have represented in the past, and with what we hope to represent in the future. And we made this commitment based on our moral character, coherence, and power of decision from the coalition, and for the coalition, because if we do not express ourselves for what we are, the coalition will not have the force and richness of plurality. [end recording]

Ricardo Lagos added that nothing will jeopardize the CPPD unless the plurality of force that the coalition has is absent. The solemn event with the participation of the party leaders concluded with the singing of the national anthem.

Foreign Minister Denies Personnel Changes

PY2312232892 Santiago Radio Cooperativa Network in Spanish 2200 GMT 23 Dec 92

[Excerpt] Foreign Minister Enrique Silva Cimma denied today that important changes in key posts of his ministry will be made. This is how he reacted to reports that Foreign Ministry Under Secretary Edmundo Vargas, and Legal Affairs Director Eduardo Vio will be assigned to new positions.

According to press reports important changes may occur in the Foreign Ministry in the next few weeks. Silva Cimma complained about two facts: this type of rumor and for the attitude of some Foreign Ministry officials who during his administration have repeatedly given information that is not true. In answer to a question on whether it is true that Under Secretary Edmundo Vargas would be transferred to Argentina as ambassador, and Legal Affairs Director Eduardo Vio would become the Foreign Ministry under secretary, Silva Cimma said:

[Begin Silva Cimma recording] I have said that there is absolutely no truth to this, therefore, the report is gossip without any importance whatsoever. Did you report that?

[Unidentified reporters] We did not.

[Silva Cimma] I am happy you asked me, because I can now say that the report is categorically false, and because it is categorically false I label the report as malicious, the type of report that is harmful because it bothers high-ranking officials who are working well. Therefore, it is no good to have that type of report published. [end recording] [passage omitted]

Further on Argentina, Statistics Fees Negotiations

PY2412024892 Santiago Radio Cooperativa Network in Spanish 2200 GMT 23 Dec 92

[Text] The result of the negotiations held recently by Chilean and Argentine representatives in Buenos Aires on the Argentine commercial policy has been labeled as sweet and bitter.

The point of disagreement is the Argentine Government's decision to increase the statistics fee from 3 to 10 percent on imported products. This situation made the Chilean Government submit a protest because our government believes that the Argentine decision violates the economic cooperation agreement between the two countries. The statistics fee of 10 percent will be maintained until 31 March, while direct negotiations to find a solution to the conflicts on this issue continue.

Alvaro Briones, Economy Ministry under secretary, and Augusto Bermudez, Foreign Ministry planning director, said that the positive aspect of the negotiations is the renewal until December 1994 of the tariff concessions between the two countries; for Chile this means a benefit for 60 percent of our exports. The two officials said that thanks to this measure Chilean exports to Argentina have diversified and doubled. This system will be maintained until 31 December 1994. When this system is renewed the statistics fee will be omitted.

According to Argentine Economy Minister Domingo Cavallo the statistics fee enforced by the Argentine Government is aimed at correcting the trade imbalance.

Minister: Former Agent Surrendered 'Voluntarily'

PY2312171592 Santiago Radio Chilena Network in Spanish 1000 GMT 23 Dec 92

[Excerpt] Interior Minister Enrique Krauss noted that Miguel Estay Reyno, alias El Fanta, voluntarily accepted the summons of the Chilean courts and, therefore, did not surreptitiously leave Paraguay.

Thus, Krauss denied rumors in circulation indicating that the Chilean Investigative Police bypassed the Paraguayan police by bringing Estay Reyno to our territory. The rumors even talk about kidnapping Estay Reyno.

[Begin Krauss recording] No. He came voluntarily. There is even a declaration. He went to the Chilean Embassy [in Paraguay] and specifically expressed that he was coming voluntarily—I presume with the goal of benefiting himself through the extenuating circumstance that he was not evading court action. [end recording] [passage omitted]

Outgoing Socialist Party President Admits Failure

PY2312210292 Santiago EL MERCURIO in Spanish 12 Dec 92 p C7

[Report by "special correspondent" Ester Levinsky]

[Excerpt] La Serena—The Socialist Party's [PS] programmatic congress continued yesterday in this city, deeply reflecting on the role of capitalism and the failure of socialism, with the goal of properly replacing the latter. The PS actually intends to resolve the party's dilemma of finally accepting the social market economy system.

In addition, Marxism's inability to offer a better alternative to the capitalist system was formally admitted.

Unlike other PS congresses, this event is actually based on the fact that Marxism has been overcome and that it is being described as just another belief.

In an extensive political account, Senator Ricardo Nunez, the outgoing PS president, began discussions on this issue.

Nunez emphasized that it is essential to acknowledge that capitalism—which socialism has persistently tried to overcome—has experienced a growing strengthening process that the socialist theory, essentially based on Marxism, has failed to foresee.

Nunez added that capitalism has expanded on a worldwide scale and capitalism virtually is the only economic system in most countries. Nunez stressed: "Even in China, market socialism increasingly resembles capitalism."

In his political account, which was drawn up by all members of the outgoing executive committee and which was described as a consensus account, Nunez emphasized that capitalism represents a great challenge for socialism.

Nunez admitted that, after many years of discussion and practice, capitalism—as a market production system—has not been surpassed by any other socio-economic system able to guarantee, in turn, human growth and liberty in the labor, social, and political environment.

Ricardo Nunez asked to focus the discussions on the issue of whether socialism should finally and totally surpass capitalism or whether, quite the opposite, socialism, in order to promote itself, should necessarily benefit from the results of implementing capitalism.

Nunez also rejected the dogmatism with which the PS tried to close this discussion in the past, which did not yield any results in Chile or anywhere in the world. In keeping with this, the PS leaders raised, at the beginning of the PS Congress in La Serena, the necessity for the PS to formulate a new theory, involving, as Nunez himself described it, a renewed doctrinal unit.

Parallel Nomination

The PS absolutely ruled out the possibility of presenting a parallel presidential candidate at the coalition alliance or promoting one outside the coalition alliance.

In a political vote, which will be approved in the programmatic congress under way in La Serena, the PS executive board raised the necessity to promote and support, with all the means available, the nomination of Ricardo Lagos, a socialist and PPD [Party for Democracy] member, but within the coalition alliance.

Luis Maira, the new PS secretary general, indicated that it is necessary to establish the idea that all socialists favor a national majority government "with a social perception and a progressive component. The coalition alliance is the only group that can support and project this government into the future. We socialists support the coalition alliance within a total consensus." [passage omitted]

Socialist Party May Consider Second Candidate

PY2312210992 Santiago LA TERCERA DE LA HORA in Spanish 14 Dec 92 p 6

[Excerpts] La Serena—The Socialist Party of Chile does not rule out the possibility of a second coalition presidential candidate if there is no agreement on a broad mechanism for the nomination of a single candidate to run for the presidency.

This was established by the party convention held over the weekend and which exhaustively analyzed the point. [passage omitted]

The congress ended shortly after midday yesterday with a massive rally attended by special guest President Patricio Aylwin, political leaders and legislators, and Hortensia Bussi de Allende, who received a warm welcome.

At the end of the meeting, the party released four documents summarizing the issues analyzed by the different work groups.

Among the conclusions it is established that it is necessary to strengthen democracy, establish a social economic proposal for growth with equality, and set rules for the effective governability of the country due to the variety of social sectors that the party represents.

The documents says it is necessary to have an electoral coalition that will make it possible, with all forces working together, to implement democratic reforms after obtaining a decisive majority in the next congress.

The documents says the Socialist Party closes the convention in La Serena with all its forces firmly united and with the decisive willingness to strengthen the party's organic development.

Four Peruvian Vessels Detained for Illegal Fishing

PY2312192892 Santiago EL MERCURIO in Spanish 14 Dec 92 p C13

[Article by Osvaldo Diaz Tapia]

[Excerpts] Arica—Four Peruvian fishing vessels with 13 crewmen on board were caught fishing in national territorial waters by a Chilean patrol boat, and they were immediately detained and brought into port.

The incident occurred 13 miles south of the maritime limits, and 26 miles west of the area called Punta Paloma, when the patrol boat "Antuco," which was on a patrol mission and carrying out functions of sovereignty, observed the four fishing vessels. [passage omitted]

As soon as the local maritime authorities established radio contact with the Ilo, [Peru], port authorities to inform them of the incident, the Peruvian vessels were released a few hours afterward and escorted to the maritime limits, where a Peruvian patrol boat escorted them to the neighboring country's port.

Captain Carlos Ruiz Artigas, commander of the naval base and Arica maritime governor, confirmed that during a routine patrol of jurisdictional waters, a patrol boat discovered the presence of four Peruvian vessels fishing two miles south of the special border zone. [passage omitted]

Colombia

Marine Battalion Commander Unharmed in ELN Attack

PA2312232192 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 23 Dec 92

[Report by Mabel Vargas]

[Text] Cartagena—Six marines and a corporal were injured in a dynamite attack aimed at Colonel Jaime Hoyos, commander of Marine Riflemen Battalion No. 5. The commander escaped unharmed.

The ambush planned by the National Liberation Army [ELN] took place on the road from Ovejas to El Carmen de Bolivar. The ELN placed the dynamite charge on the road and activated it when Col. Hoyos and his escort vehicle were passing by. The attempt failed because the dynamite exploded after the vehicle carrying Col. Hoyos had passed, hitting the escort vehicle instead.

[Begin Cartagena Naval Base Commander Holden Delgado recording] They used homemade mines that hit the escort vehicle, a marine van. Three [number as heard] marines were injured and were taken to the hospital in El Carmen de Bolivar. They are currently being treated by specialists at the Naval Hospital in Cartagena. [end recording]

At this moment, Battalion No. 5 troops are searching the area in an attempt to find the rebels.

Soldiers on U.S. Troops Building Base in Guaviare

PA2412041692 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 23 Dec 92

[Report by Miriam Ortiz]

[Text] U.S. troops are building the largest and most important river base [base fluvial] on the banks of the Guaviare River in the southeastern part of the country. Almost 100 U.S. troops, known as Seabees, are hastily building a modern advance post to counteract the actions of guerrillas and drug traffickers in the Guaviare region.

[Begin recording] [Miriam Ortiz] Is this part of the struggle against drug trafficking?

[First unidentified Colombian soldier] It is part of a program of support for the country and we need this support to take action and see results. [end recording]

These U.S. infantrymen, who have been in Colombia for the past two months, will also train the personnel who will eventually be in charge of operating the base. It is an advance and combat post that will be equipped with two ships, each with three piranha-type armored boats and a tender. The base will also be equipped with heliports, radio communications equipment, and living space for 180 infantrymen.

[Begin second unidentified Colombian soldier recording] The fundamental mission [words indistinct] advance No. 62 is to support the Army in its operations against subversives and drug traffickers. [end recording]

In this area the Army has once again proven there is an alliance between the guerrillas and drug traffickers. Army patrol boats are constantly attacked by the guerrillas, and chemicals to process cocaine are transported by river.

[Begin second unidentified reporter recording] The Guaviare River has unquestionably become the means, or one of the means, through which to transport raw material, and it is also a fundamental source of transportation for subversives. [end recording]

Four more boats will arrive in June to increase the autonomy of the existing patrols boats and expand their coverage area. It is expected this U.S.-built base will begin to function in March 1993.

Paraguay

Government Pays Overdue Debt to Paris Club

PY2312163192 Asuncion ABC COLOR in Spanish 23 Dec 92 p 13

[Excerpts] On 22 December, Paraguay paid all its overdue debt to Paris Club creditor countries by disbursing the second payment of $100 million in accordance with the regularization agreements reached bilaterally with France, Spain, Germany, the United

Kingdom, and Japan. The report was released by Central Bank President Jose Enrique Paez, who gave the press and the people a brief evaluation of the Paraguayan economy in 1992.

Before the end of the year, Paraguay will fully meet all its international commitments. To meet these commitments, Paraguay only needs to make the last disbursement to commercial banks to cover overdue amortizations, which will be done within the next few hours, Paez reported.

With that, the public foreign debt at the closing of the fiscal year will amount to $1,270,700,000 and will have experienced a reduction of 22 percent in relation to that recorded in 1991.

The government will pay a total of $669.1 million this year, 13 percent higher than the income in dollars for exports. Of that total, $422.8 million corresponds to amortization of the principal and $246.3 million to interest. A total of $505.4 million was paid to the Paris Club, $104.4 million to multilateral organizations, and $59.3 million to commercial banks. [passage omitted]

Paez added that despite a growth rate lower than last year's, the economy's overall performance in 1992 can be considered "reasonable," given the foreign context of deceleration of world trade and a continuous drop in prices for basic products.

The Central Bank president confirmed that the growth of the gross domestic product [GDP] will be around 1.7 percent. It is a figure lower than that of 1991 (2.5 percent), but higher than the predictions of most pessimists, who said the growth rate would not reach 1 percent. [passage omitted]

It was reported yesterday at the Central Bank that with the last payment to creditors, a $12 million credit to Paraguayan Airlines, and the subsidy of $32 billion guaranies for cotton prices, the internal public debt rises to 1.1292 trillion guaranies, equivalent to $705.7 million.

The only state institution that paid part of its debt during 1992 was Acepar [Paraguayan Steel, Inc.], which paid an old obligation to the state amounting to a little more than 1 billion guaranies.

The Central Bank president is said to be against opinions to forgive internal debts, and added that these debts must be paid to be just and consistent with the policy of streamlining the economy. [passage omitted]

	MAIN INDICATORS for 1992
GDP growth	1.7 percent
Inflation	18 percent
Average of active interest rate	37.53 percent
Average of passive interest rate	14.14 percent
Exports	$590,700,000
Imports	$1,193,834,000
Foreign public debt	$1,270,700,000
Internal public debt	$705,750,000
International reserves	$570,000,000

Government Closes Technical Affairs Directorate

PY2312214692 Asuncion ULTIMA HORA in Spanish 23 Dec 92 p 11

[Excerpt] All kinds of documents, such as results of meetings, the registration of political prisoners, and even letters requesting information on Paraguayans who wanted to get passports to travel abroad were found in the archives of the National Technical Affairs Directorate of the police, better known as "The Technical" after the government closed the directorate in a ceremony this morning.

The official closure of "The Technical," which once was the sophisticated torture center used by the political police of former President Alfredo Stroessner to torture people considered opponents of his government was made this morning by ministers, congressmen, and reporters.

The archives are distributed in three rooms of "The Technical" which served as a recluse center for political prisoners, peasants, and opponents of the Stroessner regime.

Interior Minister Hugo Estigarribia who headed the act did not want to comment to the media on the documents found or what their destination would be. He even said he was not aware of their existence. [passage omitted]

Investigators Find 'Secret Archive'

PY2312211792 Asuncion ABC COLOR in Spanish 23 Dec 92 p 2,3

[Excerpt] The finding yesterday of an impressive Investigative Police secret archive confirmed the true dimensions of the state terrorism practiced by Stroessner's dictatorship through its security organizations and the judicial branch. The documents show the operation of the ill-fated repressive team organized by the deposed dictator from the moment he took power in 1954 until his overthrow the night of "La Candelaria" in February 1989. The archives seized during a coordinated operation conducted by the Congressional Investigating Committee for Illegal Activities and two criminal court judges included documents with details of all the dictatorship's repressive activities, including the imprisonment of political prisoners who were executed by their captors but who are presently registered as missing.

The raid at the Police Quartermaster Warehouse, located within the urban development "Solares de Lambare," was carried out at approximately 10:30 in the morning. At first, the guards refused to let Judge Jose Agustin Fernandez and Deputy Francisco Jose de Vargas enter the premises. The police detachment headed by Police

Inspector Hector Calderini relented, however, when warned of the possible consequences of their action.

Judge Fernandez's inspection of the premises was in answer to a report presented by Deputy De Vargas who said that the police archives that were denied to the court in Martin Almada's case were held at an Investigative Police warehouse in Lambare. The judge was acting in response to a petition of "Habeas Data" filed by Martin Almada to know the contents of police files about him. Almada's personal file was found among the documents found in the warehouse.

The archives were found in a second story room of the central pavilion assigned to the Investigative Police. The documents formed piles of up to a meter high and completely covered the room, reaching the window sills. There was barely room to open the door.

The archives contained all types of documents, including books on the entry and exit of prisoners since 1954; records of prisoners with data on arrests and political, union, or cultural activities; publications that the police considered subversive; documents seized in police raids; pictures taken in public rallies; recordings of radio programs and conferences; and transcriptions of tapped telephone conversations.

The finding of the entire archive constituted a new case that fell under the jurisdiction of the judge on duty Luis Maria Benitez Riera, who was also present at the site, since Judge Fernandez was only after Martin Almada's files. The two judges decided to move the entire archive to Fernandez' offices. Journalists covering the raid and former political prisoners who came to see what was going on when they heard of the discovery cooperated with the judge to move the documents.

Later on, Judge Benitez Riera, following Martin Almada's report that another set of files were buried in the yard, ordered an excavation in the area and found more documents. The state of these files showed that they had been buried recently. [passage omitted]

Peru

Senator Salinas Travels to Buenos Aires

PA2312202292 Lima Radio Programas del Peru Network in Spanish 1800 GMT 23 Dec 92

[Text] Abel Salinas Izaguirre, former American Popular Revolutionary Alliance senator, traveled to Buenos Aires, Argentina, early on the morning of 23 December. The government, however, refused to give him a safe-conduct as it considered that his asylum request was inappropriate.

Alleging that he has been politically persecuted since the 13 November foiled coup, Salinas took asylum at the Argentine Embassy on 20 December. Before leaving the country, Salinas stated he was fearful that evidence would once again be concocted to involve him in the foiled coup.

Economy Minister Signs Three Loan Agreements

PA2312132592 Lima Global de Television Network in Spanish 0100 GMT 23 Dec 92

[Excerpts] Economy Minister Carlos Bolona signed three loan agreements for a total of $1.15 billion with the World Bank in Washington. The agreement signing ceremony was held at the offices of the vice president for Latin America and the Caribbean, who signed the documents for the World Bank. [passage omitted]

The signing of the loan represents Peru's return to eligibility status. It marks the end of a dark stage initiated during the government of Alan Garcia Perez. It was motivated perhaps by political reasons, demagoguery, or goodwill for a president who decided to suspend unilaterally the country's commitments with international financial organizations.

Bolona, who traveled to Washington early on the morning of 22 December, received $1.150 billion from the World Bank, $900 million of which will be used to refinance the country's arrears and $250 million will be used as credit to refinance trade and financial reforms and structural adjustments. [passage omitted]

Murderers of Dincote Chief Receive Life Sentences

PA2312155492 Lima Global de Television Network in Spanish 0100 GMT 23 Dec 92

[Text] The murderers of Colonel Manuel Tumba Ortega, administrative chief of Dincote [Counterterrorism National Directorate], have been sentenced to life in jail and the payment of $50 million for civil reparations. Daniel Espichan, special prosecutor for terrorist crimes, reported that the sentence was issued by a lower court.

[Begin Espichan recording] On the afternoon of 22 December, the special judge of the Military Courts, acting in accordance with the law and within the duly established period, has sentenced Manuel Campos Huaman, Sergio Ramos Gonzalez, Eduardo Martin (Querasu) Davila, Marcos Bruno Isidro Vasquez, Alex Ernesto Isidro Vasquez, and Julio Arce Mendival to life imprisonment for the murder of Peruvian National Police Col. Manuel Tumba Ortega, Julio Cordova Romero, and Isidro Mija Rivera and other deeds that have been duly established by the investigations carried out by the military judge. [end recording]

Arrest of Tupac Amaru Leader Denied, But 'Imminent'

PY2412002792 Lima EXPRESO in Spanish 13 Dec 92 p A13

[Excerpt] In the face of reports published in the yellow press, a police officer stated yesterday that Maria Lucero

Cumpa Miranda, a national leader of the terrorist group Tupac Amaru Revolutionary Movement, has neither been arrested again by the police nor is she currently residing in France.

The high-ranking police officer, who prefers to remain anonymous, pointed out that Cumpa Miranda, who is also known as "Comrade Lucero," is in Lima, and that her arrest is imminent. He added that "similar reports had placed Abimael Guzman Reinoso outside Peru." [passage omitted]

List of CCD Members Released

PY2212204192 Lima EXPRESO in Spanish 14 Dec 92 p A6

[Text] The following is the list of the 80 members of the Democratic Constituent Congress, CCD, who were elected in the 22 November elections.

New Majority-Change 90 (44 seats)
1. Jaime Yoshiyama Tanaka
2. Luz Salgado Rubianes de Paredes
3. Carlos Torres y Torres Lara
4. Victor Joy Way
5. Andres Reggiardo Sayan
6. Miguel Velit Nunez
7. Carlos Blanco Oropeza
8. Jose Gamonal Cruz
9. Gilberto Siura Cespedes 10. Jaime Freundt-Thurne 11. Anastacio Vega Ascencio 12. Reynaldo Roberts Billig 13. Manuel La Torre Bardales 14. Juan Hermoza Rios 15. Martha Chavez Cossio 16. Demetrio Patsias Mella 17. Jorge Nakamura Hinostroza 18. Cesar Fernandez Arce 19. Carlos Ferrero Costa 20. Maria Lozada de Gamboa 21. Romulo Guerra Ayala 22. Daniel Zevallos Rios 23. Miguel Pajares Ruiz 24. Jorge Alfonso Velasquez Ureta 25. Hugo Samata Aguirre 26. Oswaldo Sandoval Aguirre 27. Pablo Tello Tello 28. Juan Huamanchumo Romero 29. Juan Cruzado Mantilla 30. Tito Chavez Romero 31. Pedro Vilchez Malpica 32. Carlos Leon Trelles 33. Samuel Matsuda Nishimura 34. Maria Teresa Vitor Alfaro 35. Nicolasa Villar Martinez 36. Jorge Figueroa Vizcarra 37. Genaro Colchado Arellano 38. Gamaniel Barreto Estrada 39. Pedro Garcia Saavedra 40. Victor Melendez Campos 41. Carlos Reategui Trigoso 42. Roger Amuruz Gallegos 43. Ricardo Marcenaro Frers 44. Ysisola Farfan Guillermo

Popular Christian Party (eight seats)
1. Lourdes Flores Nano
2. Antero Flores-Araoz Esparza
3. Alexander Martin Kouri Bumachar
4. Luis Guillermo Bedoya de Vivanco
5. Xavier Barron Cebreros
6. Hector Pablo Cruz Arrunategui
7. Celso Americo Sotomarino Ch.

[no eighth delegate listed]

Independent Moralization Front (seven seats)
1. Fernando Olivera Vega
2. Ernesto Gamarra Olivares
3. Carlos Cuaresma Sanchez
4. Cesar Larrabure Galvez
5. Julio Chu Mertz
6. Humberto Sambucetti Pedraglio
7. Willy Serrato Puse

Renewal Party (six seats)
1. Rafael Rey Rey
2. Gonzalo Ortiz de Zevallos Roedel
3. Enrique Chirinos Soto
4. Juan Guillermo Carpio Munoz
5. Fco. Tudela Van Breugel-Douglas
6. Juan Carrion Ruiz

Democratic Leftist Movement (four seats)
1. Gloria Helfer Palacios
2. Henry Pease Garcia
3. Julio Castro Gomez
4. Julio Diaz Palacios

Democratic Coordinating Board (four seats)
1. Jose Barba Caballero
2. Jorge Donayre Lozano
3. Luis Enrique Tord Romero
4. Jorge Torres Vallejo

National Workers and Peasants Front (three seats)
1. Roger Caceres Velasquez
2. Pedro Caceres Velasquez
3. Jorge Velasquez Gonzales

Peruvian Popular Agrarian Front (two seats)
1. Mario Paredes Cueva
2. Eusebio Vicuna

Solidarity and Democracy (one seat)
1. Manuel Moreyra Loredo

Agrarian Independent Movement (one seat)
1. Gustavo Garcia Mundaca

Government Approves Antarctic Treaty on Environment

PY2412004692 Lima EL PERUANO in Spanish 14 Dec 92 (Legal Supplement) P111132

[Decree-Law No. 25950 issued by Peruvian President Alberto Fujimori and members of his cabinet in Lima on 7 December; promulgated on 12 December]

[Text] The president of the Republic hereby states that:

The Emergency and National Reconstruction Government, with the concurrence of the Cabinet of Ministers, has enacted the following decree-law:

Article 1. The Government hereby approves the Protocol on the Antarctic Treaty on Environmental Protection, signed by Peru in Madrid, Spain, on 4 October 1991 and its five addenda, namely:

1. Study on the impact on the environment.

2. Conservation of Antarctica's wildlife.

3. Garbage disposal and treatment.

4. Prevention of sea pollution.

5. Management of protected areas.

Article 2. This decree-law will come into force the ensuing day of its publication in the official gazette EL PERUANO.

Lima, 12 December 1992.

Uruguay

Mercosur Summit in Montevideo, not Colonia

PY2312133492 Madrid EFE in Spanish 0328 GMT 23 Dec 92

[Text] Montevideo, 22 Dec (EFE) — Uruguayan Foreign Minister Hector Gros Espiell on 22 December confirmed to EFE that the meeting of the four Mercosur [Common Market of the South] presidents will be held in Montevideo on 28 December instead of in the historical city of Colonia, 177 km from Montevideo.

Gros added that a series of diplomatic steps had to be made after the impeachment proceedings against President Fernando Collor de Mello were postponed.

Acting Brazilian President Itamar Franco will travel to Uruguay one day before the summit to discuss a series of bilateral matters and to sign several agreements, including an agreement linked to the protection of the environment in the border area between the two countries.

Argentine President Carlos Menem, Paraguayan President Andres Rodriguez, Itamar Franco, and host President Luis Alberto Lacalle all have confirmed their participation.

Venezuela

Foreign Minister on Resuming Relations With Peru

PA2212040292 Caracas Venezolana de Television Network in Spanish 2350 GMT 21 Dec 92

[Text] Venezuelan Foreign Relations Minister Fernando Ochoa Antich said on 21 December that Venezuela is waiting for a decision by the OAS before deciding whether to reestablish diplomatic relations with Peru.

Foreign Minister Ochoa Antich said from the Miraflores Palace that our country is watching the internal situation in Peru while maintaining its respect for the internal situation of foreign nations.

[Begin recording] [Unidentified reporter] [Question indistinct]

[Ochoa] Not at this time.

[Reporter] Why?

[Ochoa] As you know, the OAS decided to keep the [words indistinct] open until the constituent assembly that has been elected in Peru begins operating and the OAS can evaluate whether there is enough freedom for it to operate.

The Venezuelan Government is monitoring the internal situation in Peru—within the guidelines of respect for the internal situation of foreign countries—to decide in sovereignty whether it should reestablish diplomatic relations. [end recording]

Foreign Minister Ochoa Antich also commented on the possible extradition of soldiers who have been granted asylum in Peru. He said no extradition request has been made so far.

Defense Minister on Human Rights of Coupists

PA2212132092 Caracas Venezolana de Television Network in Spanish 2350 GMT 21 Dec 92

[Text] Before leaving Miraflores Palace on 21 December, Venezuelan Defense Minister General Ivan Dario Jimenez Sanchez said the National Armed Forces have not violated the human rights of any Venezuelan.

The defense minister made these statements after being asked about the investigations by the Attorney General's Office into the military corps allegedly violating the human rights of the civilians and soldiers being questioned in relation to the 27 November coup attempt.

After being asked about the controversy regarding the civilians being processed by military courts, Defense Minister Ivan Dario Jimenez Sanchez said they will indeed be processed by military courts.

[Begin recording] [Jimenez] I would like to know: What about the human rights of the soldiers who were killed, of the soldiers who were injured and who are still in hospitals, of the persons who lost their homes, of the businessmen who lost their businesses, and of all those persons who were affected by the events of 27 November?

[Unidentified reporter] Minister, do you guarantee that human rights are not being violated?

[Jimenez] The Armed Forces have not violated human rights.

[Reporter] Minister, a lawyer said civilians should be tried by civilian judges.

[Jimenez] I think they are being tried by the correct judges now. We are not looking for other judges in this case. [end recording]

In any case, the possibility that the civilians who participated in the failed coup of 27 November will be processed by civilian courts has been ruled out.

President Perez Supports UN Decision on Haiti

PA2412041892 Caracas Venezolana de Television Network in Spanish 0000 GMT 24 Dec 92

[Report by Johnny Ficarella]

[Text] Venezuelan President Carlos Andres Perez described the UN decision to intervene to find a solution to the Haiti issue as positive.

This statement was made during a Christmas reception by the president to reporters covering the Miraflores Presidential Palace. Many foreign reporters were also present at the reception.

President Perez stated he hopes democracy can be restored in Haiti. In addition, he also commented on the situation Peru is currently experiencing.

[Begin recording] [Perez] I am very satisfied and the Venezuelan Government rejoices over the decision by the UN secretary general to appoint Dante Caputo as his representative to Haiti. We feel it is very significant that the United Nations has decided to participate in solving the Haitian issue. I hope that one of the things we will finally have during the beginning of 1993 will be the restoration of democracy in Haiti.

[Unidentified reporter] Mr. President, what do you have to say regarding Peru?

[Perez] It is preferable to wait until the Peruvian congress meets to determine what is going to take place there. [end recording]

Finally, the Venezuelan president stated that on 24 December he plans to request that Christ bestow the best to the Venezuelan people.

Perez Appoints Central Bank Board Members

PA2312200392 Caracas Venezolana de Television Network in Spanish 1550 GMT 23 Dec 92

[Text] In keeping with the new Venezuelan Central Bank law, President Carlos Andres Perez has appointed Eloy Lares Martinez, Carlos Guillermo Rangel, Luis Rivero Medina, (Alfredo Lapaix), and Carlos Hernandez Delfin as members of the board. Ricardo Haussman was appointed Venezuelan Central Bank director, based on his status as minister at the head of the Presidential Palace Central Office for Coordination and Planning. Dr. Antonio Sousa was appointed assistant director, but will hold the post of general director.

Central Bank's Annual Report on Economy Viewed

PA2312142092 Caracas Venezolana de Television Network in Spanish 2350 GMT 22 Dec 92

[Text] According to the Venezuelan Central Bank's annual report, this year's gross domestic product reached 7.3 percent, which is less than that of 1991. This is a consequence of unfavorable conditions in the worldwide petroleum market. The unemployment rate continued to decrease in 1992; it is currently set at 8 percent. Ruth de Krivoy, president of the Venezuelan Central Bank, explained that the rise in the inflation rate to 32 percent was caused mainly by the current fiscal deficit and salary increases in the government and private sectors.

The deficit in the petroleum industry totaled 2.7 percent. The report also revealed that treasury notes were put on the market for $50 billion bolivares, closing the year with a net debt of $10 billion bolivares. The balance of payment closed with a current account deficit estimated at $3.72 billion. Regarding Venezuelan Central Bank activity in 1992, Ruth de Krivoy said monetary policy continues to maintain its anti-inflationary goal, while the currency exchange policy is geared toward preserving international reserves, estimated at $12.72 billion.

Ruth de Krivoy referred to the new Venezuela Central Bank law, which she labeled a transcendental event, given the autonomy the money regulatory institution will have from now on. As for next year's priorities, Krivoy mentioned the fiscal sector and the inconvenience of the congressional approval of the so-called umbrella law. This law provides for a ceiling to be placed on public debt so that it cannot go over 374 billion bolivares. Here is Ruth de Krivoy:

[Begin Krivoy recording] The analysis made by this institution suggests that the amount of public debt required to finance the public sector's consolidated deficit, contained in the draft law, would be macroeconomically unsuitable. This would make it difficult to lower inflation and would introduce additional instability factors in the monetary and exchange markets. It would lead to a greater deterioration of the foreign sector, limit the development of private production activity, and deteriorate the distribution of revenues. In sum, it would intensify some of the maladjustments experienced in 1992. To lead the nation to monetary stability, which would translate into the modernization and opening of the economy to improve living conditions for Venezuelans, the public sector's debt must be reduced significantly. This means the application, and support with broad consensus, of a fiscal adjustment program that would restore progressively the balance of public finances on solid bases for the future. [end recording]

Among the Venezuelan Central Bank's recommendations for greater economic growth for 1993 are the continuation of the privatization and decentralization policies and the application of new taxes.

Guyana

Customs Officers Strike for Second Day

FL2412011992 Bridgetown CANA in English 2132 GMT 92

[Text] Georgetown, Guyana, Dec 23, CANA—Guyana customs officers were on strike for the second consecutive day Wednesday [23 December], ignoring a back-to-work appeal from Finance Minister Dr. Asgar Ally.

Ally, at a late Tuesday news conference, had said he was "very surprised" to learn of the strike, and added it had been caused by a "misunderstanding."

The public service union called the strike to press for the recall of five senior customs officers, including comptroller Clarence Chue, who have been sent on leave pending a review of the Customs Department. The department has been hit by allegations of widespread corruption and ineffeciency.

"At no time did I in any way try to put these officers into any light .... (by) accusing them of any things which could be considered not aboveboard," Ally said. "The main purpose of (their) going on leave was to facilitate the review (of the department) and it was done following the due process," he added. Ally said the review was being done to identify ways of closing loopholes in customs collection to boost revenue returns.

Public service minister, George Fung-On, said he could not get a "definite answer" from the PSU on what should have been the established procedures to send the officers off on six weeks' full pay leave. The union contends the action by the Ministry of Finance was not done according to established procedures.

"It was just simply a matter of investigating what is going on in the department," Fung-On said. "The new government coming in must of necessity find out what is happening because it has a national responsibility to do so."

Hoyte Approves Insanally, Defends Jackson for UNGA

FL1912003192 Bridgetown CANA in English 2056 GMT 18 Dec 92

[Text] Georgetown, Guyana, Dec 18, CANA—Opposition leader, Desmond Hoyte, says his People's National Congress (PNC) has no problem with the new Guyana candidate for the presidency of the 48th United Nations General Assembly next year. But Hoyte, Guyana's former president, complained the PNC's candidate, former Foreign Minister Rashleigh Jackson, was poorly treated by the new People's Progressive Party/Civic Group government.

"We have maintained that the government was quite wrong to oppose Jackson's nomination. We feel it was an act of vindictiveness," Hoyte told reporters. "This was entirely shameful."

Jackson had won the unanimous endorsement of the Latin American and Caribbean group for the top UN post, election for which will be held in September, 1993. Jackson, foreign minister between 1978 and 1990, withdrew his nomination after the PPP/Civic Government announced it would not support him. The new government proposed its permanent representative to the United Nations, Rudy Insanally, for the post.

"Insanally is an entirely worthy person .... Very well respected, very experienced .... Very well qualified, and the PNC has no problem with him as an individual," Hoyte told reporters.

Insanally was Guyana's ambassador to Venezuela in 1972-1978, to the European Economic Community 1978-1981, and high commissioner to the Eastern Caribbean 1981-1987 before his current tour of duty to the UN. Dominica is the first Caribbean Community state to support Insanally for the UN post. Caricom's permanent representatives to the UN have pledged to advance his candidacy.